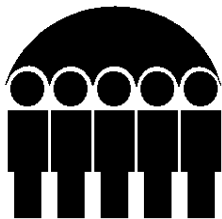


November 7, 2000

Employees' Manual
Title 15
Chapter C

RTSS CONTRACTING



Iowa
Department
of
Human Services

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OVERVIEW

Most services related to child welfare programs under the Department are purchased under the rehabilitative treatment and supportive services (RTSS) contract. The purpose of the RTSS program is to address the treatment and support needs of Iowa children and their families in the following four program areas: family-centered services, family preservation services, family foster care services and group care services.

Iowa children and their families who become clients of the Department are provided services with the assistance of a referral worker who connects the clients with a particular RTSS provider. Therapy and counseling, skill development, supportive services, and other services are provided to address children's emotional or behavioral needs and other dysfunctional behavior.

A provider interested in providing these services to Iowa children and families must contact the Department's regional office. The prospective provider is then referred to licensing or certification staff, assigned a project manager, and given an ***RTSS PROVIDER HANDBOOK***.

Depending on which services a provider plans to deliver, the provider may or may not be required to be licensed. For those services requiring licensure, providers are first **licensed** by the Department under rules that relate to those services.

Following any required licensing, all providers must be **certified** by the Department at each provider's site to provide rehabilitative treatment services before entering into a contract. The provider then begins the **contracting** process with the Department assigned project manager. This includes establishing a rate through negotiation and obtaining approval by the project manager to provide any supportive services.

Form 470-3052, *Rehabilitative Treatment and Supportive Services Contract*, encompasses treatment services within the four program areas mentioned above: family-centered, family preservation, family foster care and group care services; plus supportive services provided in family-centered, family foster care, and group care maintenance.

Once the rate and contract are approved, a provider is ready to receive the referral of clients for authorized services by the referral workers—either social workers from the Department or juvenile court officers from the court system. Referral workers make the connection between clients who need rehabilitative treatment and supportive services and the RTSS providers.

Legal Basis

Federal laws, regulations, and policies relating to RTSS and child welfare services are tied to these funding streams:

- ◆ Medicaid.
- ◆ Temporary Assistance to Needy Families (in Iowa, the Family Investment Program).
- ◆ Title IV-B, Child Welfare.
- ◆ Title IV-E, Foster Care and Adoption Assistance.
- ◆ Social Services Block Grant.

Federal legislation under the Medicaid section of the Social Security Act was amended in 1989 to require states to make treatment services available when treatment needs of a child are identified through the early and periodic screening, diagnosis, and treatment (EPSDT) program of the Medicaid Plan (known in Iowa as “Care for Kids”).

In response to this federal legislation and the availability of Medicaid funding in addition to existing state and federal funding, Iowa implemented changes in 1993, restructuring child welfare services to offer treatment services in a consistent way regardless of the source of the funding. The policies implemented both meet federal Medicaid requirements and also address the child welfare goals of family-focused and community-based services.

Iowa law focuses on these types of child welfare programs in *Iowa Code* Chapter 234, “Child and Family Services,” and Chapter 235, “Child Welfare.” These chapters govern the provision of services and the Department’s authority to administer state and federal funding for such services.

Rules governing the child welfare services provided under the RTSS program can be found in various sections of the *Iowa Administrative Code*, including the following:

- ◆ 441 IAC Chapter 108, “Licensing and Regulation of Child-Placing Agencies.”
- ◆ 441 IAC Chapter 112, “Licensing and Regulation of Child Foster Care Facilities.”
- ◆ 441 IAC Chapter 114, “Licensing and Regulation of All Group Care Living Foster Care Facilities for Children.”
- ◆ 441 IAC Chapter 115, “Licensing and Regulation of Comprehensive Residential Facilities for Children.”
- ◆ 441 IAC Chapter 116, “Licensing and Regulation of Residential Facilities for Mentally Retarded Children.”

- ◆ 441 IAC Chapter 152, “Contracting.”
- ◆ 441 IAC Chapter 156, “Payments for Foster Care and Foster Parent Training.”
- ◆ 441 IAC Chapter 180, “Respite Care Services.”
- ◆ 441 IAC Chapter 181, “Family Preservation Supportive and Nonrehabilitative Treatment Services.”
- ◆ 441 IAC Chapter 182, “Family-Centered Services.”
- ◆ 441 IAC Chapter 185, “Rehabilitative Treatment Services.”
- ◆ 441 IAC Chapter 202, “Foster Care Services.”

Definitions of terms and conditions of participation relevant to RTSS contracts are set forth in the Medicaid State Plan, rules and policies that relate to RTS services, and contract documents.

Responsibilities of the Department

Legal reference: 441 IAC 152, “Contracting” and 185, “Rehabilitative Treatment Services”
Rehabilitative Treatment and Supportive Services Contract, 470-3052

Children and their families in need of Departmental rehabilitative treatment services must first receive **authorization** from a review organization that determines if a child has a medical-behavioral health need or a non-rehabilitative treatment need, such as a protective, supportive, or preventative need.

Supportive services require authorization from the referral worker with supervisory approval. However, the supportive service of family centered supervision must be provided in conjunction with a treatment service.

Referrals by the referral workers for specific authorized rehabilitative treatment and supportive services for the children and their families are then made to providers who offer the needed services under an RTSS contract with the Department. Providers bill the Department for these authorized services rendered to Department clients. The Department makes payment using various federal and state funding sources.

The Department administers the federal and state funds that are appropriated for child welfare services. In addition to the state funds, the Department determines the amount of federal funds that are to be expended from the Medicaid, TANF, Title IV-B, Title IV-E, and Social Services Block grant funding streams.

OVERVIEW

Responsibilities of the Department

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Chapter C RTSS Contracting

In addition, the Department determines expenditure of funding that comes through child support recovery and children's unearned income (Social Security and Supplemental Security Income).

Various **data management systems** are among the supports the Department maintains, in order to be accountable for reimbursements to providers for services rendered. Department staff in the field and central office enter data into these computerized data systems (FACS, POSS, and IFAS).

Data maintained that is pertinent to the various parts of the RTSS program includes, but is not limited to, client eligibility, client referrals and records related to children and their families, provider information, service codes and rates associated with each provider's contract, billing claims and payment data.

The Department has established by rule and policy the procedures and requirements for providing RTS services, and also procedures for monitoring the quality of those services.

Purpose of the Manual

The purpose of this manual is to provide guidance to Department project managers and their supervisors in carrying out their responsibilities for contract development and administration.

This manual should be used in conjunction with the ***REHABILITATIVE TREATMENT AND SUPPORTIVE SERVICES (RTSS) PROVIDER MANUAL***, also known as the ***RTSS PROVIDER HANDBOOK***. (See Employees' Manual, Title 15, Chapter C, Appendix.) When applicable, cross-references are made to general sections in the ***RTSS PROVIDER HANDBOOK*** where forms and procedures are already described.

Note: Staff can also find updated references to specific ***RTSS PROVIDER HANDBOOK*** chapters and page numbers for topics cross-referenced in this manual on the POSSRTSS share under RTSS/manual/empman/phref.doc.

The POSSRTSS share is a computer network directory shared by all POS field and POS Central Office staff. Central Office POS staff input information on this share. and field POS staff have "read" access to that information.

Forms Matrix

Following is a matrix to assist project managers in the submission of forms or other supporting documents to be submitted for various contract actions. (This matrix is also available on the POSSRTSS network share under RTSS/contract/forms/frmmatrix.doc.) These documents are to be submitted to the Purchased Services Bureau, unless otherwise specified. The number of copies required is listed in parentheses.

Until all RTSS forms are available in the public folders on Outlook, there are various avenues to access current versions of forms. To know where to access forms and what the latest version of a particular form is, check the POSSRTSS network share under RTSS/contract/forms/current.doc.

Form Name and Number or Other Document	SUBMISSION WITH					
	New Contract	Amendment to Contract	Contract Renewal	Administrative Change	Annual Review	Termination of Contract
Cover memo (requested but not required)	yes (1)	yes (1)	yes (1)	yes (1)	yes (1)	yes (1)
<i>RTSS Contract Face Sheet</i> , 470-3051	yes (4)	yes (4)	yes (4)	yes (1)	--	--
Attached lists, as indicated on <i>Face Sheet</i>	if applicable, yes (1-4)	if applicable, yes (1-4)	if applicable, yes (1-4)	yes (1)		
<i>RTSS Contract</i> (with Appendix A), 470-3052	yes (4)	--	yes (4)	--	--	--
Approved exception to policy	if applicable (4)	if applicable (4)	if applicable (4)	--	--	--
Contract addendum for out-of-state providers (customized)	if applicable (4)	if applicable (4)	if applicable (4)	--	--	--
<i>RTSS Negotiated Rate Establishment Amendment</i> , 470-3404	yes (1)	yes (1) if adding service code	yes (1) if also adding service code	--	--	--
<i>Amendment to RTSS Contract</i> , 470-3053	--	yes (4)	--	--	--	--
<i>Contract Renewal & Evaluation Guide</i> , 470-3054	--	--	yes (1- 4)	--	--	--

OVERVIEW**Forms Matrix**

Revised October 2, 2001

Iowa Department of Human Services

Title 15 Grant/Contract/Payment Administration**Chapter C** RTSS Contracting

Form Name and Number or Other Document	SUBMISSION WITH					
	New Contract	Amendment to Contract	Contract Renewal	Administrative Change	Annual Review	Termination of Contract
Contract Checklist (not required but requested)	470-3211 yes (1)	470-3213 yes (1)	470-3212 yes (1)	yes (1)	--	--
Formal letter from provider on agency letterhead	--	--	--	yes (1)	--	yes (1), if possible
<i>Equal Opportunity Review</i> , 470-0148 (submit to Diversity Programs Unit only)	yes (do not submit to POS)	--	--	yes, if provider has merged with other entity		
<i>Accessibility Checklist</i> , 470-0149 (submit to Diversity Programs Unit only)	yes (do not submit to POS)	--	--	yes, if new location, new building, or remodeled	yes, if new location or building or remodeled	--
<i>Section 504 Transition Plan—Structural Accessibility</i> , 470-0150 * (can be used any time during the contract term)	yes, if required to do EO/AA corrective action plan *					
<i>Desk Audit for Title VI and Section 504 Compliance</i> , 470-2215	--	--	yes (1), if not already submitted during the previous year	--	yes (1), if not already submitted within the year with renewal	--
Current insurance documents on (at least) general, professional and auto liability with additional insureds	yes (1)	--	yes (1)	yes (1), if address or staff changes, as applicable	yes (1)	--
<i>Certification for Coordination of Public Transit Services</i>	yes (1) submit to DOT, not POS	--	--	--	yes (1) submit to DOT, not POS	--
NOD for RTS Certification, 470-3169 (not required but requested to be submitted with contract)	yes (1 for each service code & site certified)	yes, if adding service code/s	yes (1 for each service code & site certified)	yes, if address or other changes	--	--

DEVELOPING NEW CONTRACT PROPOSALS

Legal reference: 441 IAC 152, Division II, “Purchase of Rehabilitative Treatment and Supportive Services Contract”
Rehabilitative Treatment and Supportive Services Contract, 470-3052
Iowa Code Chapters 486 and 486A, “Uniform Partnership Law”
Iowa Code Chapter 487, “Uniform Limited Partnership Law”
Iowa Code Chapter 490, “Business Corporations”
Iowa Code Chapter 490A, “Limited Liability Companies”
Iowa Code Chapter 504A, “Iowa Nonprofit Corporation Act”
Iowa Code Chapter 547, “Trade Names”

After the initial contact by the potential provider, a project manager’s duties with respect to developing new contract proposals are described in the following sections:

- ◆ Initial contact by the potential provider.
- ◆ Giving basic information in the first meeting with the provider.
- ◆ Determining the legal entity with which the Department will contract.
- ◆ Verifying that the provider meets requirements.
- ◆ Issues relating to contract requests from out-of-state providers.
- ◆ Requesting an exception to a contract requirement.
- ◆ Processing the contract proposal for approval.

Initial Contact by Potential Provider

Legal reference: 441 IAC 152.22(234) “Initiation of Contract Proposal”
Rehabilitative Treatment and Supportive Services Contract, 470-3052

Individuals and agencies wanting to provide rehabilitative treatment and supportive services to Department clients may desire to contact staff in their county DHS office or the regional offices in their geographical area.

However, the official point of contact for a provider wishing to enter into an RTSS contract with DHS is the purchase of services (POS) staff person who is the project manager supervisor in one of the five regional offices. These offices are located in Sioux City, Waterloo, Des Moines, Council Bluffs, and Cedar Rapids.

Out-of-state providers may either work with the project manager supervisor within the region initiating a contract or, if the out-of-state provider is initiating the contract, contact the project manager supervisor in the region closest to them.

Project manager supervisors in each region may discuss with the potential provider general components of the RTSS program, contract and fiscal requirements, and the provider's current or proposed services. (Refer to ***RTSS PROVIDER HANDBOOK***, Chapter B, **OVERVIEW OF COVERED SERVICES**, for a general overview of rehabilitative treatment and supportive services.)

The supervisor will refer the provider to licensing and certification staff before initiating the contracting process, as applicable. At some point in this period, the provider will also be given a copy of the ***RTSS PROVIDER HANDBOOK***. The provider should follow the procedures established by the regional office, as specified by the project manager supervisor in each region.

Regional Variations

Each region's procedure may vary somewhat. The provider should follow the procedures of the contracting region. Variations may include:

- ◆ Requiring or not requiring a written expression of interest by the provider in entering into a RTSS contract.
- ◆ Distributing the ***RTSS PROVIDER HANDBOOK*** before or after the certification process is completed.
- ◆ Assigning the provider to a project manager at the initial contact or after the provider has received certification approval and any required licenses.
- ◆ Assigning either the provider or the project manager responsibility for making contact after the provider has received certification approval and setting up an appointment to meet to begin the contracting process.
- ◆ Having a provider who does not follow-through with certification or the RTSS contract return the ***RTSS PROVIDER HANDBOOK*** or keep it.

Once a project manager is assigned, the project manager must coordinate with certification staff to be sure the provider information regarding legal entity and name on licensure and certification is consistent and accurate.

First Meeting of Assigned Project Manager with Provider

Legal reference: 441 IAC 152.2(2), 152.2(3), 152.22(2), and 152.22(3)

At the first meeting with the prospective provider, give a general overview of what is involved in entering into an RTSS contract. Include an overview of the contract document and what information you will need to know about the provider at this time or in the near future.

Request the signed *Verification of Receipt of Handbook*, form 470-3057, from the provider, if this has not already been obtained. Keep this form in your file on this provider. (For more information and a sample of this form, refer to **RTSS PROVIDER HANDBOOK**, Chapter A, **Verification of Receipt of Handbook, Form 470-3057**.)

Regions vary as to how and when various items are discussed with providers. You may discuss required forms and documentation that will need to be collected for review or submission, and corresponding references in the **RTSS PROVIDER HANDBOOK**. The following issues and topics **may be included** in the overview:

- ◆ **What RTS services the provider intends to provide.** If this has been discussed earlier with the project manager supervisor, confirm the services as needed, and review how they are reflected in the contract service codes. (Refer to **RTSS PROVIDER HANDBOOK**, Chapter B, **OVERVIEW OF COVERED SERVICES**, for the service descriptions.)
- ◆ **Licensing process.** If not already completed, explain the general licensing requirements. Direct specific questions on licensing to licensing staff.
- ◆ **Certification process.** If not already completed explain the general certification process. Direct specific questions related to certification to the provider's assigned certification specialist. (Refer to **RTSS PROVIDER HANDBOOK**, Chapter C, **CERTIFICATION PROCESS**, for procedures.)
- ◆ **Contract process, conditions and requirements.** Review the basic steps of the contract approval process and give the provider current copies of required forms that will need to be filled-in as the contract proposal is developed.

Be sure you are using the most current version of each form. (Refer to **Forms Matrix**; **RTSS PROVIDER HANDBOOK**, Chapter D, **Contract**; and the POSSRTSS network share under RTSS/contract/forms/current.doc.)

- ◆ **Negotiated rate process.** (Refer to *RTSS PROVIDER HANDBOOK*, Chapter E, **INTERIM NEGOTIATED RATES**.)
- ◆ **DOT public transit certification.** (Refer to *RTSS PROVIDER HANDBOOK*, Chapter D, **Public Transit Certification**.)
- ◆ **Equal opportunity, affirmative action, and civil rights.** (Refer to *RTSS PROVIDER HANDBOOK*, Chapter D, **Civil Rights Forms**.)
- ◆ **Subcontracts.** Review general subcontract requirements with the provider, if applicable. Be sure the provider knows that even if there are no subcontracts now, you must review any planned subcontract at least 30 days before implementation of any such subcontract under the RTSS contract.

Inform all providers of the “individual” vendor type that they cannot use subcontractors to provide any direct RTSS services under their contract.

- ◆ **Changes in administrative information.** Address the requirements and the process for reporting changes to the Department, if there are any during the course of an approved contract. (Refer to *RTSS PROVIDER HANDBOOK*, Chapter D, **Change in Administrative Information**.)
- ◆ **Contract management and monitoring.** Address the general process for any possible future changes, if a contract is approved. (Refer to *RTSS PROVIDER HANDBOOK*, Chapter D, **Contract Amendment**.)
- ◆ **Out-of-state provider addenda.** Providers who are serving one Iowa child only or who are a subsidiary of a larger parent corporation may need to attach an addendum to their contracts. (Refer to POSSRTSS network share RTSS/contract/forms/oosadndm or pcaddndm.)

You may also want to use for yourself (or give to the provider) a checklist with these items and any other reminders you want to add. See the example of a checklist based on one that a project manager uses for new providers.

Example: Project Manager Checklist for New RTSS Provider Contract

Information/Document

Reference in *RTSS PROVIDER HANDBOOK*

What you will need as part of the contract proposal:

- ☐ Verification of legal entity
- ☐ Gather information to include in cover memo
- ☐ Current *Contract* & Appendix (use template) Chapter D—Page ____
- ☐ Exception to policy, if applicable
- ☐ *Contract Addendum*, if applicable
- ☐ Parent corporation guarantee, if applicable
- ☐ *Face Sheet* (& any attached lists, if applicable) Chapter D—Page ____
- ☐ Negotiated rate forms Chapter E—Page ____
(F & S Report not currently required)
- ☐ Proof of liability insurance Chapter D—Page ____
 - ☐ General property (or letter explaining why don't need for purposes of this contract)
 - ☐ Professional
 - ☐ Auto (or letter explaining why don't need for purposes of this contract)
 - ☐ Additional named insureds of the State of Iowa and DHS for these policies
- ☐ Certification *Notice of Decision* for rehabilitative treatment services (no provisional)

What you need to send to others:

- ☐ *Equal Opportunity Review* to Diversity Specialist Chapter D—Page ____
 - ☐ Completion of forms
 - ☐ Review of written non-discrimination policies on hiring and providing services
 - ☐ Verification of information being posted
 - ☐ Verification of program and architectural accessibility
- ☐ *Certificate of Transportation* to DOT Chapter D—Page ____

Example: Project Manager Checklist for New RTSS Provider Contract (Cont.)

Information/Document

Reference in *RTSS PROVIDER HANDBOOK*

What will be kept in your contract file but not required to submit with contract proposal:

- ☐ *Verification of Receipt of Handbook* Chapter A—Page ____
- ☐ List of all facility sites with address/phone number/contract person/service codes at each site
- ☐ Documentation supporting check & approval of supportive services, if applicable
- ☐ Policy and procedures reviewed: Chapter D—Page ____
(examples in Handbook Appendix)
 - ☐ Child abuse
 - ☐ Confidentiality
 - ☐ Appeals & grievance
- ☐ Drug-free work place
- ☐ Review of subcontracts, if applicable Chapter D—Page ____
- ☐ Table of organization/board membership, if applicable Chapter D—Page ____
- ☐ Articles of incorporation/registered with Iowa Secretary of State, if applicable
- ☐ Disclosure of ownership
- ☐ Provider verification of staff child abuse checks
- ☐ Provider verification of staff criminal record checks
- ☐ Other _____

Determining the Legal Entity With Which to Contract

Legal reference: Iowa Code Chapters 486A, 490, and 547

A contract is a legally binding agreement between two parties. In the case of an RTSS contract, the two parties are the provider and the Department. The Department needs to know with what entity it is entering the contract and that this is the legal entity that:

- ◆ Can uphold the contract,
- ◆ Has the ability to perform under the contract, and
- ◆ Has the financial and programmatic control over the services being purchased.

The name on the contract is to be the legal name of the responsible party entering into the contract with the Department. The name on the contract is the name of the entity that will be held accountable by the Department for all the terms and conditions of the contract.

In the past several years, we have had to confront a growing number of questions regarding whether or not the name entered on the contract is the entity which actually has the responsibility for and the capacity to meet the terms and conditions of the contract.

Some of this may be due, in part, to increasing numbers of corporate mergers in which smaller legal entities are being taken over by larger corporate structures, and an increase in pooling of resources by service providers. We need to know that the provider name on the contract is indeed the legal entity that is ultimately responsible for the services to be provided under the contract.

An example of why this matters is a situation where the Department must recoup payments. If the contract is with an entity that, in fact, does not have the control over the financial resources for the services provided under the contract, the Department may have difficulty obtaining the money owed the state.

Legal Entity Name and Type

Once you know with which entity the Department proposes to enter the contract, confirm with the provider the legal entity name and vendor type.

The legal entity will be one of these vendor types under the contract:

- ◆ Individual,
- ◆ Sole proprietor,
- ◆ Partnership,
- ◆ Corporation, or
- ◆ Government entity

Compare the name and vendor type with any certification or licenses being processed or already approved with the goal of all having the same provider name.

Indicate the specific documents and other information the provider needs to give you for further verification and gaining an understanding of the entity with which the Department may enter into business.

(Refer to the general information on the topic of “legal entity” in the POSSRTSS network share under RTSS/contract/legal entity folder. Use the “Legal Entity Checklist” to help you sort through the related issues.)

If the provider is an **individual** or **sole proprietor**:

- ◆ The name to be entered on the contract is the person's legally given full name (last name first). This is the same name under which the person files income tax.
- ◆ The individual or sole proprietor may have another business name (a "shingle" name, "doing-business-as" [dba] name, or trade name) but this is not considered the legal name of this entity. The dba or trade name is not to be used as the provider name on the contract, but may be shown after the provider name in parentheses as the dba name.
- ◆ The individual or sole proprietor need not be registered with the Iowa Secretary of State, but may need to register with the county recorder's office in the county where the person is located, if they use a dba or trade name.

Iowa law stipulates that a person shall not conduct business under a trade name or an assumed name of a character other than the true surname of the person owning or having an interest in the business (a "doing-business-as" name) unless the person registers with the county recorder's office.

This law does not apply if the person uses for business purposes the person's true surname. For those needing to, registering with the county recorder's office is a one-time action and requires nothing more unless there are changes.

Examples:

1. John Doe doing business under the name "John Doe" or "John Doe Counseling" does not need to be registered with the County Recorder. Enter his name on the contract as "Doe, John" or "Doe, John (dba John Doe Counseling)."
2. Jane Doe doing business as "ABC Counseling Services" must be registered with the County Recorder. Enter her name on the contract as "Doe, Jane (dba ABC Counseling Services)."

If the provider is a **partnership**, request a list of all partners (including names, residence addresses and social security numbers), as partners are liable jointly and severally for all obligations of their partnership. Also request any documents about the partnership and agreements among the owners or partners.

Keep this information updated and current by reminding the provider to inform you of any changes within seven working days of the change. Next, the type of partnership must be determined.

If the provider is a **limited partnership**:

- ◆ The provider must be registered with the Iowa Secretary of State in order to do business in Iowa. Verify that the partnership is registered and currently active in the Iowa Secretary of State's data system. The name entered on the contract must be the name under which the provider is registered.
- ◆ If the partnership was registered at some time in the past but has not kept its status active (by submitting the annual information required by the Iowa Secretary of State), it will show as being "inactive." This means the partnership is no longer legally registered and, therefore, should not enter into a contract with the Department under that name.
- ◆ If the system indicates the provider is "active" but does not have documentation of proof within the past 12 months, you can access the information by:
 - Calling the Secretary of State's Office (515) 281-5204,
 - Visiting the office in the Hoover State Office Building in Des Moines, or
 - Connecting with the Secretary of State's web site at **www.sos.state.ia.us**.

If the provider is a **general partnership**:

- ◆ A general partnership is not required to register with the Iowa Secretary of State.
- ◆ The partnership may use the partners' surnames or a dba or trade name for the legal partnership name.
- ◆ If the partners use one or more of their surnames as the name of the partnership, this should be the name used on the contract.
- ◆ If the partnership uses a dba or trade name, the trade name should be the name entered on the contract. But first be sure it is a registered trade name.

When the partnership uses a trade name, it must be registered with the county recorder's office in the county where the administrative office of the partnership is located, under the same given name. This registration is a one-time action and does not have annual requirements to prove being in an active status. When there are changes to the information, a verified statement is to be recorded.

The provider should have some documentation that can be given to you verifying proof of this registration. If the provider does not have this documentation available, you should be able to access the information by contacting the county recorder's office in the county where the administrative office of the partnership is located.

Examples of general partnerships:

1. John Doe and Ann Smith have jointly entered into business under the name "Doe and Smith, Counselors." They do not need to register with the county recorder. Enter the name on the contract as "Doe and Smith, Counselors."
2. Fred Smith, Harry Miller, and Jane Doe have entered into a business under the name "Family Counselors." They must register their trade name with the county recorder in a verified statement as required. Enter the name of the contract as "Family Counselors" and collect and update, as part of your contract file, the pertinent information on each partner.

For **any partnership**, get a statement in writing from all partners on who they have agreed to designate as their "authorized provider representative." The authorized provider representative with regard to the contract is the person or persons appointed by all the partners to legally sign documents or transact business on behalf of the legal entity. Be sure this information is also updated.

If the provider is a **corporation**:

- ◆ Verify that the provider is currently registered under "active" status with the Iowa Secretary of State to do business in Iowa under the same given name. Both in-state and out-of-state corporations are required to be registered with the Iowa Secretary of State in order to do business in Iowa.

In order to be considered "active" status, the corporation must file annual documentation with the Secretary of State's Office. If the provider is "active" but does not have documentation dated within the past 12 months showing it, you can seek verification of this by:

- Calling the Secretary of State's Office at (515) 281-5204.
- Visiting their office at the Hoover State Office Building in Des Moines.
- Connecting the Secretary of State via the Internet at **www.sos.state.ia.us**.

If the corporation is considered in “inactive” status in the Iowa Secretary of State’s system, the corporation is no longer registered to do business in the state of Iowa and, therefore, should not enter into a contract with the Department.

- ◆ The name entered on the contract must be the legal name identified in the provider’s Articles of Incorporation as registered with the Secretary of State.
- ◆ When an out-of-state corporation is registered to do business within the state of Iowa, this means that the Iowa Secretary of State has checked at least at the initial registration and at the annual submission of documents to be sure the corporation is also registered to do business within its home state.

Therefore, it is not necessary for you to verify the provider’s registration in its “home” state if it is registered currently as “active” with the Iowa Secretary of State.

Maintain any information you collect from the provider supporting the legal entity, vendor type, disclosures of owners and board members, and other documentation in your files on this provider. These do not need to be submitted to the Bureau of Purchased Services unless you want a contract manager to assist you in reviewing them.

Determining Ability to Perform Under the Contract

It is with corporations that the question will most frequently arise as to whether the entity seeking the contract has the ability to perform under the contract, but this may also be an issue for all other vendor types except for individuals. If the vendor type is a corporation, ask for the following:

- ◆ A copy of the Articles of Incorporation and by-laws.
- ◆ Other information indicating whether or not the corporation has any legal or operating agreements or subcontracts with any other entity.

Review the articles of incorporation, by-laws and any other information submitted to determine if there is a relationship between the corporation seeking the contract and another entity. This entity may be considered a contractor, subcontractor, parent corporation, subsidiary corporation, or some other entity doing business with the corporation.

For other vendor types, ask the provider if there are any subcontracts or other relationships with other entities that might have an impact on the provider's control over the ability to perform under the contract.

If the articles of incorporation or other information give you reason to believe another entity has control over the services to be purchased under the contract either financially or programmatically, notify the contract manager in the Bureau of Purchased Services.

No further action should be taken on the contract until it is determined with which entity the Department should be contracting. The Department may either enter the contract with the original prospective provider or with the entity that has control.

The contract manager will work with you and, if needed, the Attorney General's office, to make a determination of whether the contract should be with a different entity or if an assurance in the form of a guarantee is required.

An assurance is needed if the Department decides to contract with the corporation that does not have financial or programmatic control over the services provided under the RTSS contract.

The assurance or guarantee is a statement signed by the entity that has the financial or programmatic control over the entity with which we propose to enter into the contract. It assures or guarantees that the corporation with control will exercise that control in a manner that supports the contractor's ability to carry out the terms and conditions of the RTSS contract.

(Refer to POSSRTSS network share under RTSS/contract/forms/pcaddndm.)

Verifying Compliance with Requirements

Legal reference: 441 IAC 152.2(234)

In developing a contract proposal, you must:

- ◆ Confirm with the provider that **all** rehabilitative treatment services at **all** desired sites are (or are in the process of being) **licensed** (if applicable) and **certified**.
(For more information, refer to **RTSS PROVIDER HANDBOOK**, Chapter C, **CERTIFICATION PROCESS**.)

Because the contract itself does not specify each site that may correspond to a particular service code indicated on the face sheet, you must maintain your own system for keeping track of all sites under each contract. Be sure that each site has received and maintains the appropriate license and certification in order for the provider to contract to provide and bill for RTSS services.

- ◆ Confirm with the provider that any **supportive services at all desired sites** are (or are in the process of being) **licensed**, if applicable. (See **Approval of Supportive Services**, below, for procedures.)
- ◆ Verify the **federal identification number** the Internal Revenue Service has assigned to this provider. The provider should be able to provide you with a copy of a letter from the Internal Revenue Service which indicates the number assigned to the same legal entity with which we are considering doing business under the contract.

Make sure it matches the legal entity name and vendor type that has been given for certification and to you for the proposed contract.

- ◆ Obtain the information the provider is required to **disclose** under the contract. (Refer to the RTSS contract, Section V., Sub-Section C.) Be sure to get all disclosures that are needed, based on the vendor type. Some of this information may be easily accessible at the same time the provider is collecting documentation regarding legal entity.
- ◆ Review the completed **negotiated rate forms**. As part of developing the new contract, the provider and regional administrator will negotiate a rate for all proposed rehabilitative treatment and supportive services.

The provider and regional administrator will complete and sign form 470-3404, *RTSS Negotiated Rate Establishment Amendment*, and give at least the original copy to you. Review it for completeness and accuracy. If there are any problems, seek to get them resolved.

Add the one original copy of these signed forms to the new contract proposal packet, as part of what is eventually submitted to the Bureau of Purchased Services. You may want to make a copy of these forms for your control copy file. (Refer to the **RTSS PROVIDER HANDBOOK**, Chapter E, *Establishment of Rates*.)

- ◆ Review a copy of the provider's **procedures** with regard to abuse reporting, client appeals and grievances, client confidentiality and drug free workplace. (See **Review of Written Policies and Procedures**, below, for more information.)

- ◆ Collect copies of the **provider's insurance coverage** for general property liability, professional liability, and auto liability, unless exemptions for general or auto liability coverage applies. Policies must name the state of Iowa and the Department of Human Services as additional insureds for all three types of liability coverage.

Providers may need some lead-time in getting their insurance coverage to include all the requirements. (Refer to the **RTSS PROVIDER HANDBOOK**, Chapter D, **Indemnity and Insurance**, and the POSSRTSS network share under RTSS/contract/insurance.)

- ◆ Review a copy of any **subcontracts** the provider has for providing direct RTS services to clients. (See **Subcontracts**, below, for procedures.)

Approval of Supportive Services

Legal reference: 441 IAC 152.22(4)

Certification does not include review of supportive services. Request preparation of any documentation you need to review the sites to ensure that:

- ◆ All employees or subcontractors providing supportive services are qualified, and
- ◆ The provider meets all other requirements for provision of the supportive services.

As with certified sites providing rehabilitative treatment services, the contract will not specify each site that may correspond to a particular supportive service code on the face sheet. Ask the provider about the number of sites where the provider intends to provide supportive services.

Be sure that each site has received and maintains the appropriate license and meets any other qualifications or standards required for that service. Determine if the provider has the ability to provide these services appropriately according to program rules and procedures. Administrative rules that may apply to supportive services include 441 Iowa Administrative Code:

- ◆ Chapter 108, "Licensing and Regulation of Child-Placing Agencies,"
- ◆ Chapter 152, "Contracting,"
- ◆ Chapter 156, "Payments for Foster Care and Foster Parent Training,"
- ◆ Chapter 180, "Respite Care Services,"
- ◆ Chapter 182, "Family-Centered Services," and
- ◆ Chapter 185, "Rehabilitative Treatment Services"

Also refer to the Employees' Manual Title 18, Chapters B, C, D, and E.

If, after discussion with appropriate provider staff and reviewing documentation on staff qualifications, you grant approval of the agency providing supportive services, indicate your approval in the cover memo that is submitted with the contract proposal.

Maintain your supporting documentation for approving supportive services and the service codes and the location sites in your contract file. (Refer to POSSRTSS network share in the POSSRTSS directory under supportive services).

Review of Written Policies and Procedures

Legal reference: 441 IAC 152.2(4) – 152.2(13), 152.2(26), and 152.6(234)

Review the provider's handling of:

- ◆ Reporting abuse,
- ◆ Maintaining confidentiality,
- ◆ Client appeals and grievances,
- ◆ Drug free work place,
- ◆ Equal opportunity, affirmative action, and civil rights policies,
- ◆ Documentation regarding legal entity, and
- ◆ Any required disclosures related to the provider agency.

Review these written policies and procedures to:

- ◆ See how they are made available to clients and, when applicable, to employed or subcontracted staff.
- ◆ Be sure they are consistent with any current laws and rules and also consistent with the legal entity and vendor type the provider has given you. (For example, if the provider has indicated being an "individual" vendor type, the client-related procedures should not make reference to other staff, supervisors, etc.)

You may review such information during an on-site visit or ask the provider to give you copies of policies, disclosure information, or other documents. Copies of these documents do not have to be submitted with the contract proposal to the Bureau of Purchased Services. You will want to maintain any copies you receive in your provider file.

If you have questions about any of the provider's procedures in any of these areas that you cannot resolve and cannot be answered by your supervisor or other designated staff in your Region, you may contact the contract manager in the Bureau of Purchased Services for assistance.

For more information, refer to ***RTSS PROVIDER HANDBOOK***, Chapter D, **CONTRACT TERMS AND CONDITIONS**, and Appendix:

- ◆ **EXAMPLE OF POLICY FOR REPORTING CHILD ABUSE.**
- ◆ **EXAMPLE OF CONFIDENTIALITY POLICY.**
- ◆ **EXAMPLE OF POLICY FOR CLIENT APPEAL AND GRIEVANCE.**

Review of Subcontracts

Legal reference: 441 IAC 152.2(23)

Review any subcontracts that the provider (who is a sole proprietor, partnership, corporation, or government entity vendor type) has, or discuss any plans that the provider may have for subcontractors to provide direct RTS services to clients.

Note: A provider who is or wants to be an “individual” vendor type cannot hire direct or subcontracted staff to provide direct RTSS services under that contract. Providers owning their own businesses must be in the “sole proprietor” vendor type to have direct or subcontracted staff provide RTSS services.

Document the date you have received any subcontract so that you complete your review within 30 days. While you do not formally approve any subcontract (because it is the responsibility of the provider under the contract to ensure the subcontractor's compliance), you can reject all or a portion of any subcontracts that in your determination does not adhere to RTSS contract conditions or guidelines.

(Refer to ***RTSS PROVIDER HANDBOOK***, Chapter D, **Subcontracting for Service Provision**, and the POSSRTSS network share under RTSS/contract/subcontract.)

Providers Located Outside of Iowa

Legal reference: 441 IAC 142 “Interstate Compact on the Placement of Children”
441 IAC 156.9(234) Rate of payment for foster group care
441 IAC 156.20(234) Eligibility for foster care payment
441 IAC 202.8(2) Out-of-state group care placements
Iowa Code Section 232.158, Article VIII, “Interstate Compact”
1999 Iowa Acts, Chapter 203, Section 15, paragraph 17 “c”(3)

There is no basis for denying a contract with an out-of-state provider other than the criteria for rejection specified in rule. Iowa places a priority on serving children in the least restrictive setting and in close proximity to the child’s home. Encourage providers to work with the regions closest to them to determine if there is a likelihood of use.

There is no inherent basis for an exception to policy for any contract requirement, including the rate, just because a provider is located out of state. If an exception to policy is granted by the director, reflect the exceptions in the contract by adding a contract addendum to amend the language in the contract.

An exception to policy may be requested if it is being considered for one child in a placement with an out-of-state provider who would otherwise not serve a child from Iowa. In general, the expectation in this situation is that any exception to policy would be requested on a child-by-child basis.

Related questions that the region or county should ask before entertaining a request for an exception for an out-of-state provider are:

- ◆ Does the state of Iowa need this provider in order to serve our customers?
- ◆ Could an existing program in Iowa meet the customers’ needs or is there an Iowa provider willing to develop a program to meet the customers’ needs?

There are a few out-of-state facilities that have unique programs that do not exist in Iowa. There may be children with unique needs, such as disabilities and severe behavioral problems, for whom no services are available in Iowa but whose needs can be met by the programs in those out-of-state facilities.

In these situations, the Department may make an exception to policy on contract or rate requirements. These exceptions do not have to be requested on a child-by-child basis.

Note, however, that foster care rules require that there be an exception to policy for each child for whom placement is being considered in an out-of-state facility if the rate for maintenance or treatment services provided by that out-of-state agency are not established using the same rate-setting methodology as that used for Iowa-based providers.

The following sections address:

- ◆ Contracting with an out-of-state provider for the placement of one specific child.
- ◆ Procedures for establishing payment rates in out-of-state group care facilities.

Contracting With Out-of-State Provider for One Specific Child

Legal reference: Iowa Code Chapter 232, Division IX
441 IAC 156.20(1)“a”(2) and 202.8(234)

For the out-of-state placement of a specific child to occur, several steps are necessary based on Department policy. Staff involved must determine what all these steps are and how they are to be coordinated so that the Department has the necessary legal authority to pay for the placement by the desired effective date. These steps may include:

- ◆ Obtaining a court order placing custody with the Department.
- ◆ Obtaining the approval of the regional administrator or designee.
- ◆ Obtaining Interstate Compact approval.
- ◆ Obtaining exceptions to contracting and rate-setting policy.
- ◆ Having the contract and rates in development or in effect.
- ◆ Placing the child.

The court order granting the Department custody, the interstate compact approval, and the approval of the regional administrator or designee must be finalized before the child goes to the placement.

If any requests for an exception to policy are being made involving the one child, it is recommended that there be a combined request for any child-related issues and any contract-related or rate-related issues. The approved exception then becomes the basis for a contract addendum.

When an RTSS contract is written specifically for the placement of one child in an out-of-state facility:

- ◆ The term of the contract should be the same as any other, that is, one or two years.
- ◆ The effective date of the new contract will never be before the date the Department has been granted the authority to pay the provider for the child who is being placed.
- ◆ The termination date of the contract will be the expiration date of the contract or the date the child is discharged, whichever occurs first. Notice of discharge of the child from the facility should be given at least 10 days before the discharge.

Coordination among Department staff is critical in these cases. Initial coordination between placing workers, project managers, and certification staff is especially important when placement is considered in a facility that does not already serve Iowa children. Ongoing coordination between the referral worker and the project manager should be under the direction of the region.

Current interstate compact policy requires the child's out-of-state placement to be reviewed every six months. Regional and county staff should set up their own tracking to make sure that:

- ◆ The placement reviews by workers occur within the required time frames.
- ◆ Monthly progress notes are sent to the child's assigned referral worker in Iowa.
- ◆ The provider or referral worker follow up any verbal reports in writing.
- ◆ Information that impacts the contract is communicated immediately to the project manager, including changes in services or placement, or discharge from services.
- ◆ The referral worker informs the project manager if the child is being discharged before the expiration date of the contract. When this is the only Iowa child placed with this provider, inform the Bureau of Purchased Services to terminate the contract on the same date the child is to be discharged.

Out-of-State Group Care Rates

Legal reference: 441 IAC 156.9(234)

The group foster care reimbursement rates paid for placement of children out-of-state is calculated according to the same rate-setting principles as those used for in-state providers, unless the director determines that appropriate care cannot be provided within the state. The payment of the daily rate is based on the number of days in the calendar month in which service is provided.

Establish the payment rate for maintenance and treatment services provided by a public or private group care agency licensed or approved in another state using the rate-setting methodology in ***RTSS PROVIDER HANDBOOK***, Chapter E.

Exceptions can be made if the Department director determines that appropriate care is not available within Iowa pursuant to the following criteria:

- ◆ Whether the child's treatment needs are exceptional.
- ◆ Whether appropriate in-state alternatives are available.
- ◆ Whether an appropriate in-state alternative could be developed by using juvenile court-ordered service fund or wrap-around funds.
- ◆ Whether the placement and additional payment are expected to be time-limited with anticipated outcomes identified.
- ◆ If the placement has been approved by the regional administrator or chief juvenile court officer.

The regional administrator or chief juvenile court officer desiring to place a specific child must submit the request for a director's exception to the Appeals Section in central office. Cite in the exception request the rules relating to the rates that the provider is requesting to disregard.

Allow a minimum of two weeks for a response. The decision of the director regarding approval of an exception to the rules related to cost principles is not appealable.

This is not a blanket exception. Any regional administrator or chief juvenile court officer desiring to place another child under the same terms must submit a separate exception request for each child.

Requesting an Exception to a Contract Requirement

Legal reference: 441 IAC 1.8(217)

As with other Department actions, exceptions may be granted to contracting requirements upon the Department's or provider's request. When a provider seeks exemption to one or more policies related to providing RTS services or entering into an RTSS contract, follow the general Department procedures for making an exception to policy request, as found in 1-B, **EXCEPTIONS TO POLICY**.

For in-state providers or out-of-state providers on Iowa's borders regularly serving Iowa clients, exceptions to contract requirements are rarely granted. An exception might give a few months' allowance before or after the desired effective date, usually for a provider with a delay in complying with a requirement due to extenuating circumstances.

For out-of-state providers considering a contract to serve only one specific Iowa child under an interstate compact agreement, exceptions to some contract requirements are occasionally granted if the provider is entering into a contract solely for the purpose of serving that one Iowa child. This may involve disregarding Iowa rule requirements for:

- ◆ RTSS certification or Iowa licensure.
- ◆ Rate-setting methods.
- ◆ DOT public transit certification.
- ◆ Insurance coverage to include additional named insureds.
- ◆ Forms for showing compliance with equal opportunity, affirmative action, or civil rights compliance.

In such instances, we may accept the other state's licensing, certification, rate-setting methods, equal opportunity and affirmative action compliance, etc., in lieu of our Iowa requirements. (See also related discussion under **Providers Located Outside of Iowa**.)

Adhere to your region's procedures for processing a request for an exception to policy.
Contact the contract manager in the Bureau of Purchased Services for assistance as needed.

In general, an exception to policy for out-of-state providers is usually requested on a child-by-child basis. However, exceptions for unique programs that provide services not available in Iowa may include an exception to the provider's contract that would not need to be child-specific.

The exception for placement of only one specific child from Iowa in an out-of-state facility should name the child and should be made in advance of placing the child. If there are also additional exceptions being requested related to the contract or rate setting on behalf of the provider who will be serving that child, it is recommended that one combined request be submitted with the exception request for that child.

See **Out-of-State Group Care Rates** for criteria used to obtain an exception to the policy on the payment rate for maintenance and treatment services provided by a group care agency licensed in another state.

Developing a Contract Addendum for an Approved Exception

When any RTSS contract being developed with a prospective provider involves the processing of an exception to policy, those contract-related portions of the exception that are approved by the director should then be reflected in the contract addendum. The approved exception becomes the basis for the contract addendum.

While the exception request is being drafted, staff involved should be sure that the request incorporates all that needs to be altered in the RTSS contract.

Each contract addendum is usually customized to fit a unique set of conditions.
(Refer to general guidelines for developing a contract addendum under the POSSRTSS network share under RTSS/contract/forms/oosadndm.)

Processing a Contract Proposal for Approval

Legal reference: 441 IAC 152.22(4) – 152.22(7)

The provider submits to the project manager all required information that is to become part of the contract proposal. Once the provider has completed all the contract-related forms and obtained all other required documentation, the provider is to submit this information to you at least 60 days before the desired effective date.

Required forms and documents include:

- ◆ *Rehabilitative Treatment and Supportive Services Contract Face Sheet*, form 470-3051.
- ◆ Attachments, if relevant, as listed on the face sheet. This could include copies of any addendum, approved exceptions to policy, explanations, or lists of any subcontractors or other contracts the provider has with the Department.
- ◆ *Rehabilitative Treatment and Supportive Services Contract*, form 470-3052, including Appendix A—Service Descriptions, with the contract signature page signed by the provider.
- ◆ One, original *Rehabilitative Treatment and Supportive Services Certification Negotiated Rate Establishment Amendment*, form 470-3404, completed and signed by the provider and the regional administrator.
- ◆ A current, approved *Notice of Decision for Rehabilitative Treatment Services Certification*, form 470-3169, for each site and service core. (Provisional-level certification is not acceptable for a new contract proposal.)
- ◆ Insurance documents showing current coverage for general, professional, and auto liability with required additional named insureds for each type of coverage, or a letter signed by the provider or insurance agent for any exceptions that may apply.
- ◆ *Equal Opportunity Review for Purchase of Service Project Management*, form 470-0148, with pages 1–38 filled in as applicable.
- ◆ *Accessibility Checklist*, form 470-0149, pages 41 through 51.
- ◆ *DOT Certification Application for Coordination of Public Transit Services*, form 020107.

(Refer to ***RTSS PROVIDER HANDBOOK***, Chapter D, **Contract Submission**, for forms and instructions.)

The following sections explain procedures for:

- ◆ Review and submission by the project manager.
- ◆ Review by the contract manager in the Bureau of Purchased Services.
- ◆ Staff actions when a new contract is approved.

Project Manager Review

Review the listed contract proposal forms and all other required documents for completeness and accuracy. (See **Forms Matrix**.)

For details about the contract forms and other documentation to be included in the new contract proposal packet, review form 470-3211, *Rehabilitative Treatment Services Certification Contract Checklist for Project Managers New Contract* (on the POSSRTSS network share under RTSS/contract/checklist/newcklst.doc).

If any portion of the new contract proposal is inaccurate or incomplete, work with the provider representatives to correct or complete the deficiencies and get the new contract proposal in final form.

Once the new contract proposal appears accurate and complete, submit the proposal for signature to:

- ◆ The area administrator for the county where the provider's administrative offices are located.
- ◆ The regional administrator for that region.

You have four weeks from receipt of an accurate and complete contract proposal to process it for these two signatures and to submit it to the Bureau of Purchased Services.

Before submitting the contract proposal:

- ◆ Forward the *Equal Opportunity Review*, form 470-0148, including the *Accessibility Checklist*, form 470-0149, and the *Section 504 Transition Plan—Structural Accessibility*, form 470-2215, if required, to DHS Diversity Programs Unit, First Floor Hoover Building, 1305 E Walnut Street, Des Moines.
- ◆ Forward the *Certification Application for Coordination of Public Transit Services* to the Department of Transportation at 800 Lincoln Way, Ames, Iowa 50010.

The remaining completed forms and documents become a part of the new contract proposal packet that is to be submitted to the Bureau of Purchased Services within four weeks of receipt. The director or the director's designee has 15 days from receipt by the Bureau to act upon the proposal. Submit to the Bureau:

- ◆ One cover memo addressed to the Bureau of Purchased Services staff summarizing the contract action being submitted. In the cover memo:
 - Specify the desired term of the contract, usually one or two years. When proposing the term of the contract, consider these two factors:
 - Do you need to stagger your workload and therefore, have a contract end sooner than the usual two-year term?
 - Do you have any other reason that a particular provider needs to be given only a one-year term for the initial contract? (For example, is the provider expressing any uncertainty about continuing to meet requirements, or have licensing or certification staff raised concerns about the provider?)
 - Indicate your approval for any supportive services. A contract with supportive service codes listed cannot be processed without this approval. Your approval indicates that:
 - You have reviewed staff providing supportive services and verified that they meet qualifications.
 - You have verified the provider is licensed as a child-placing agency for provision of supportive services, if applicable.
 - You believe the provider is aware of any service-related requirements with regard to the supportive services.
 - Mention any other important issues you may have with regard to the provider or the contract documents.

- ◆ One copy of the *RTSS Contract Checklist for Project Managers—New Contract*.
- ◆ The original and three additional copies of:
 - The *Rehabilitative Treatment Services Contract Face Sheet*, form 470-3051.
 - Attachments, if relevant (addendums, policy exceptions, explanations, lists of subcontractors and other contracts with the Department).
 - The *Rehabilitative Treatment and Supportive Services Contract*, form 470-3052, including the contract signature page signed by the provider. (Tab the signature pages with a paper clip or some other indicator.)
- ◆ One **original** *Rehabilitative Treatment Services Negotiated Rate Establishment Amendment*, form 470-3404, completed and signed by the provider and regional administrator, and any required attachments. No other copies are needed.
- ◆ A current, approved *Notice of Decision for Rehabilitative Treatment Services Certification*, form 470-3169, for each site and service core. (Provisional-level certification is not acceptable for a new contract proposal.)
- ◆ Insurance documents showing current coverage for general, professional, and auto liability with required additional named insureds for each type of coverage, or a letter signed by the provider or insurance agent for any exceptions that may apply.

Be sure the proposal uses the most current version of the contract forms. You may wish to retain a fifth “control copy” for your own records until the contract proposal is approved and signed copies are returned to you.

(Refer to the ***RTSS PROVIDER HANDBOOK***, Chapter D, ***Contract***, for forms and instructions.)

Review of Proposal by Contract Manager

The RTSS contract manager in the Bureau of Purchased Services will review the packet within 15 days of receipt for accuracy and completeness.

- ◆ **If the contract packet is accurate and complete**, the contract manager assigns a contract number and forwards the completed negotiated rate forms to the Bureau staff person who works with RTSS rates, who will review the rate agreement for accuracy and completeness.

If the negotiated rate information is also complete, the contract manager approves the contract by finalizing the contract documents and obtaining the Department Director’s or designee’s signature, which then commits the provider and Department to the contract.

- ◆ **If the contract proposal is inaccurate or incomplete**, the contract manager will inform you via e-mail with a copy to your supervisors.

If you are able to complete or correct the contract documents within 24 hours from the time the e-mail notice was sent, the contract manager will work with you to make the contract proposal complete and accurate.

If the errors are too major for corrections to be submitted within 24 hours, or if you are not able to respond within 24 hours, the contract manager will send you e-mail, with a copy to your supervisor. The e-mail will state that the contract proposal as submitted is considered incomplete and cannot be processed or approved. The packet will be returned to you.

Work with the provider to make any necessary corrections or to obtain complete information as required under the contract, and resubmit the contract packet to the Bureau of Purchased Services for further review.

If the negotiated rate forms are inaccurate or incomplete, work with the POS staff person responsible for RTSS rates regarding what further documentation is required.

- ◆ **If the contract cannot be approved** after review of a complete and accurate proposal, the contract proposal will be **rejected** for one of these reasons:
 - The proposed contract does not meet applicable rules, regulations, or guidelines.
 - The applicant has falsified information required as a condition of participation.
 - Licenses or certification submitted as a condition of participation in the application process have never been approved, or have been revoked or suspended.
 - The provider fails to provide notification within seven days of any changes that may significantly affect the licenses or certification submitted as a condition of contracting.
 - The Department and the provider fail to reach agreement on negotiated rates.

The Department is to give the provider a notice and explanation in writing of any reasons for rejection of a contract proposal within ten working days of the Department decision.

Staff Actions Following Approval of a Contract

An approved contract will show all four required signatures on the signature page of the contract. After the contract has been approved and all copies have been signed by the Department Director or designee:

- ◆ The contract manager will:
 - Keep the original copy of the contract and related forms for the Bureau of Purchased Services contract files.
 - Return the remaining signed copies to the project manager supervisor, who in turn will forward them on to you. When you get them, send one signed copy of the contract to the provider. File remaining copies in Department regional or county office contract files.
 - Add the new provider/new contract data on the RTSS database, found on the POSSRTSS network share under RTSS/contract/listings/current.xls, and other contract listings in that directory as applicable.
- ◆ The POS secretary adds new provider information to the POSS, FACS, and IFAS data systems. The POS secretary will:
 - Enter the provider agency data on the FACS PROE/AGCD and PADL/PADD screens.
 - Enter provider rates on the FACS PRRL screen.

After POS Bureau staff enter the new provider, contract, and rate information in FACS, the entry is made on the AGCD screen assigning that new provider to one of the five project manager supervisors. The project manager supervisor then enters the assigned project manager on the AGCD screen.

If the provider has one or more facilities, enter provider facility data on the FACS PRFL/FACD, FSPL, CLTL and facility PADL/PADD screens. (Refer to FACS training materials.)

Once the provider is entered into these systems, the provider is eligible to receive referrals of authorized DHS clients, beginning on or after the effective date of the contract. Referral workers should be able to access the availability of the new provider from the data systems, and the provider will be eligible to bill for authorized services provided on or after the effective date of the contract.

Reminder: Facility data is not reflected in formal contract documents. In addition to what you enter and maintain on the FACS system, you should keep and update facility information in the provider's file that you maintain.

If the new provider agency has one or more facilities or sites in multiple regions in the state, alert your supervisor. The supervisor can determine how contact will be made with the other regions for the purpose of an assignment of one or more site project managers who may assist you in the contract monitoring of the provider.

(Refer to **Monitoring Multi-Region Contracts** in this chapter and to 15-E, **Providers That Deliver Services in Multiple Regions**, for more details relating to audits of providers with various sites in more than one region.)

MANAGING CONTRACTS

Legal reference: 441 IAC 152.23(234)

Project manager duties in relation to managing RTSS contracts are explained in the following sections:

- ◆ Making administrative or other changes to a contract.
- ◆ Amending a contract.
- ◆ Monitoring compliance with the contract.
- ◆ Monitoring multi-region contracts.
- ◆ Renewing a contract.
- ◆ Reviewing subcontracts.
- ◆ Terminating a contract.

Changes Related to the Provider Agency

Legal reference: *Rehabilitative Treatment and Supportive Services Contract*, 470-3052, Section IV. C.

Providers are required to inform the Department promptly of **any** changes related to the contract, including administrative changes. Providers are encouraged to discuss any changes with you as much in advance as possible, to enable all parties to the contract to consider the impact of any changes on the current contract, the standing of the legal entity, and the impact on clients being served.

Administrative changes deal with provider information that does not impact the service components of the contract nor change the legal entity with whom the Department is doing business, but does impact information about the provider agency.

Other changes may impact services to clients, or reflect a change in legal entity or who is involved in the provider's business.

According to the RTSS contract, providers are to submit this information to the project manager within seven working days of any such change occurring, being documented, or authorized by the action of one or more of the owners of the agency. Failure to do so may result in sanctions being imposed or termination of the contract.

Administrative changes which need to be sent to the POS Bureau are changes to information reflected on the *Contract Face Sheet*, including:

- ◆ Provider site address (the location of the main office, as indicated on the *Face Sheet*).
- ◆ Provider mailing address, if different from the site address.
- ◆ Provider phone number.
- ◆ Administrator's name.
- ◆ Provider name (only if it is not a change in the legal entity).
- ◆ Vendor type change from individual to sole proprietor or vice versa.

Note: A vendor type change from "individual" to "sole proprietor" or vice versa is the **only** vendor type change that does not require a totally new contract. The reason is that it is technically not a legal change—the person is still the same legal person or entity—and the difference is how the person is referenced under our contract by vendor type and federal identification number.

Administrative Changes Reflected on the Contract Face Sheet

For administrative changes reflected on the contract *Face Sheet*, the provider submits a formal, signed letter on agency letterhead authorizing the change, rather than having to go through an amendment process.

For all administrative changes reflected on the face sheet, submit:

- ◆ A cover memo describing the change.
- ◆ One copy of the contract *Face Sheet* highlighting the specific change.
- ◆ The original copy of a letter from the provider on agency letterhead making a formal written request with the signature of an authorized provider representative.

When processing **only** an administrative change:

- ◆ It is not necessary to process any copies of the contract (form 470-3052), other than the contract *Face Sheet*.
- ◆ Only **one** copy of the *Face Sheet* needs to be sent to the Bureau of Purchased Services.

After processing the administrative change through the Bureau of Purchased Services, then file:

- ◆ A copy of the cover memo.
- ◆ The *Face Sheet* highlighting the changes.
- ◆ The formal letter from the provider.
- ◆ Any other attachments in the contract files maintained by you and the regional office.

Be sure the provider also maintains information related to this action.

Department staff modify contract files and data systems accordingly. Refer to **Forms Matrix** and the “RTSS Contract Checklist for Project Managers—Administrative Change” (on the POSSRTSS network share under RTSS/contract/checklists/admnchg.doc) for further details.

The staff in the Bureau of Purchased Services will give notice about the change to other central office staff and to project manager supervisors in the other regions so they can get the information out to other staff in their region, as deemed appropriate.

Contact the assigned certification specialist if you are not sure if the certification staff are also aware of any change that has come to your attention that would apply to certification issues.

The following sections cover additional considerations for these changes:

- ◆ Provider agency site address change.
- ◆ Provider agency mailing address change.
- ◆ Provider name change.

Provider Agency Site Address Change

If you were not aware of a change of the provider's main office site address before receiving a phone call or the formal letter in writing, you may want to contact the administrator to be sure the address has indeed changed, especially if the site address is also the mailing address.

In rare instances we have had other staff affiliated with the provider agency making unauthorized changes to the address, resulting in state warrants, among other things, being sent to unauthorized persons.

A site address change of the provider's main office will usually require a new insurance certificate reflecting the new site address. Attach either:

- ◆ A copy of the general liability insurance coverage ACORD or other documentation showing proof that the provider's new site is included, or
- ◆ A letter from the provider or the provider's insurance agent explaining why they believe the provider is exempt from such coverage.

A site address change will usually require a new or updated *Equal Opportunity Review*. Submit to the Diversity Programs coordinator a new or amended *Equal Opportunity Review* that incorporates any facilities at the new site.

This will include, at a minimum, a new or updated *Accessibility Checklist*. Other parts of the *Equal Opportunity Review* may also need to be updated. Consult with the Diversity Programs coordinator for any questions.

If the change relates only to the new site, the current *Equal Opportunity Review* can possibly be amended by writing in new information on the current pages or by attaching or inserting new pages to replace old ones. A totally new *Equal Opportunity Review* may need to be done if the provider has also made changes to policies related to equal opportunity, affirmative action, and civil rights.

A new site address for the provider agency's main office will require a new certification *Notice of Decision* if rehabilitative treatment services are to be delivered from the new site.

Provider Agency Mailing Address Change

If you were not aware of a change of the provider's main office mailing address before receiving a phone call or even the formal letter in writing, you may want to contact the administrator to be sure the mailing address has indeed changed.

As with changes to provider site addresses, in rare instances we have had other staff affiliated with the agency making unauthorized changes to the mailing address, resulting in state correspondence being sent to unauthorized people.

Provider Name Change

Sometimes a provider name change may be processed as an administrative change, but a name change may also require a new contract. It depends upon what the name change involves.

For example, if an individual or sole proprietor changes a name due to a new married name, it is an administrative change. However, if a corporation changes its name because it has created a different legal entity, a new contract is required.

If you have questions, discuss any of these issues with your supervisor or a contract manager in the Bureau of Purchased Services before processing any paper work related to a provider or agency name change.

Other Administrative Changes

Changes related to contract compliance or information about the provider that are not reflected on the *Face Sheet* and are retained by the project manager include:

- ◆ Control interests.
- ◆ Ownership.
- ◆ Business transactions.
- ◆ Fraud.
- ◆ Criminal conviction information.

Other types of information falling into this category of changes are part of general contract compliance, such as disclosure requirements or part of fiscal or rate documentation requirements.

Updates to such information that has changed should be made as the provider informs you, which should be within seven working days of any change occurring.

This information is initially collected by the project manager according to regional procedures and further maintained and updated in regional or project manager contract files for each provider.

At the time of renewal or other contract monitoring, review this type of information to ensure it is current and does not affect any provisions of the contract.

Amendments

Legal reference: 441 IAC 152.23(2) “Contract amendment”
Rehabilitative Treatment and Supportive Services Contract, 470-3052, Section III. B.

An amendment of an RTSS contract is the addition or deletion of service codes within the contract. Amending the RTSS contract may be:

- ◆ A joint decision between the Department and provider.
- ◆ A unilateral decision by the Department.

Note: When the provider and Department jointly agree to amend the contract, the amendment to add or delete a service code can be processed as a separate contract action, or at the time of a contract renewal.

The following sections deal with procedures for joint and unilateral decisions.

Amendment to the Contract by Joint Decision

Legal reference: 441 IAC 152.23(2)“a”

When you or the provider see a need to add or delete one or more service codes under the existing contract, discuss the proposed amendment with the provider. Discuss the reason for the amendment and the effect this may have on services provided. Explain the forms and information that will need to be processed.

If a service is being deleted, be sure that:

- ◆ Referral workers are aware of the action so that all necessary plans regarding the ending of services to the affected clients can be thoughtfully carried out.
- ◆ Any billing and payment issues related to the deletion of a service code/s can be handled according to the end date of the deleted service code.

A provider should give no promises of delivering a proposed added service by any specified date until the amendment to add that service code has been approved and signed and rates are established. Added services cannot begin until:

- ◆ The added service is approved by licensing and certification.
- ◆ The service code rates which have been negotiated are approved.
- ◆ The effective date is indicated by bureau of purchased services staff on the approved contract amendment signed by all required parties.

Review the “RTSS Contract Checklist for Project Managers—Contract Amendment” (on the POSSRTSS network share under RTSS/contract/checklist/amdcklst.doc) and **Forms Matrix** for details about what should be included for a contract amendment.

Required Information

To add or delete a service, the provider must complete all contract-related forms and obtain all required documentation. The provider is to submit this information to you at least 60 days before the desired effective date, whenever possible.

Required forms and documents the provider submits for a contract amendment include:

- ◆ *Rehabilitative Treatment and Supportive Services Contract Face Sheet*, form 470-3051.
- ◆ Attachments, if needed, as listed on the face sheet.
- ◆ *Amendment to Rehabilitative Treatment and Supportive Contract*, form 470-3053, with the provider’s signature, unless it is an amendment as part of a contract renewal.
- ◆ The required explanation that is to be attached.

- ◆ If adding a new service code:
 - A current, approved *Notice of Decision for Rehabilitative Treatment Services Certification*, form 470-3169, for each site and treatment service core. (Note any additions or changes this makes to facility sites for the provider and certification staff. Be sure the new facility sites are reflected in any insurance coverage or EO/AA compliance. Keep track of any new facility sites for your files.)
 - One, original *RTSS Negotiated Rate Establishment Amendment*, form 470-3404, completed and signed by the provider and the regional administrator.
 - Documentation of project manager approval of any supportive service being added.

(Refer to the amendment checklist and ***RTSS PROVIDER HANDBOOK***, Chapter D, **Contract Amendment**.)

Processing the Amendment for Approval

Review the listed contract amendment forms and all other required documents submitted by the provider for completeness and accuracy. If the amendment is being processed with a contract renewal, remember to use the guidelines for processing a contract renewal with an amendment.

Use the *RTSS Contract Checklist for Project Managers—Contract Amendment*, form 470-3213, (on the POSSRTSS network share under RTSS/contract/checklist/amdcklst. doc) and **Forms Matrix**.

If any portion of the contract amendment is inaccurate or incomplete, work with the provider representatives to correct or complete any deficiencies and get the contract amendment in final form.

Once the contract amendment is accurate and complete, submit the contract amendment (as an amendment only or as part of a contract renewal) for signature to:

- ◆ The area administrator for the county where the provider's administrative offices are located.
- ◆ The regional administrator for that region.

You have four weeks from receipt of an accurate and complete contract amendment to process it for these signatures and then to submit it to the Bureau.

After your final review of the above referenced forms and documents from the provider, add to them the following for submission of the contract amendment packet to the Bureau of Purchased Services:

- ◆ A cover memo, specifying:
 - Your approval of any supportive services being added.
 - Any other pertinent issues related to the amendment.
 - The desired effective date of the contract amendment. (Deletions of service codes usually occur the last day of a month. Additions of service codes occur on the day following the director's or director's designee's signature.)
- ◆ One copy of the *RTSS Contract Checklist for Project Managers—Contract Amendment*.

Exception: If it is an amendment at the time of a contract renewal, use the *RTSS Contract Checklist for Project Managers—Contract Renewal* form, and also include one copy of this in the contract renewal or amendment packet.

(Refer to the POSSRTSS network share under RTSS/contract/checklists/rencklst.doc. It will explain that you do not need to submit the amendment form when it is in conjunction with a contract renewal action.)

Submit the cover memo with the original and three additional copies of the amendment forms, and at least one copy of any other attachments, to the Bureau of Purchased Services at least 30 days before the desired effective date of the amendment. Mark each signature page with a paper clip or other indicator.

You may wish to retain a fifth “control copy” for your own records until the contract amendment is approved and signed copies are returned to you.

Review by the Contract Manager

The RTSS contract manager in the Bureau of Purchased Services will review the packet within 15 days of receipt for accuracy and completeness:

- ◆ If the contract amendment forms and documents are accurate and complete, the contract manager approves the amendment by finalizing the contract documents and obtaining the Department Director's or designee's signature, which then commits the provider and Department to the amendment to the contract.
- ◆ If the contract amendment is inaccurate or incomplete, the contract manager will inform you via e-mail with a copy to your supervisor.

If you are able to complete or correct the contract documents within 24 hours from the time the e-mail notice was sent, the contract manager will work with you to make the contract amendment complete and accurate.

If the errors are too major for corrections to be submitted within 24 hours, or if you are not able to respond within 24 hours, the contract manager will send you e-mail (with a copy to your supervisor). The e-mail will state that the contract amendment as submitted is considered incomplete and cannot be processed or approved. The packet will be returned to you.

Work with the provider to make any necessary corrections or to obtain complete information as required under the contract, and resubmit the contract amendment to the Bureau of Purchased Services for further review.

Staff Actions Following Approval of a Contract Amendment

An approved contract amendment will show all four required signatures on the signature page of the amendment (for an amendment only action) or on the signature page of the contract (for an amendment with a contract renewal).

After the contract amendment has been approved and all copies have been signed by the Department Director or designee, the contract manager:

- ◆ Keeps the original copy of the contract amendment and related forms for the Bureau of Purchased Services contract files.
- ◆ Returns the remaining signed copies to the project manager supervisor, who in turn will forward them on to you.

When you get them, send one signed copy of the contract amendment to the provider, and file remaining copies in Department regional or local office contract files.

Depending on the details of the amendment to add or delete service codes, the secretary for the Bureau of Purchased Services will update the FACS provider rate screen to show the addition or deletion of the service codes and rates.

You will need to deal with any changes the amendment makes to facility or site information related to this provider agency. Reminder: Facility data and changes are not reflected in contract documents; however, you should keep this facility information maintained and updated on the FACS system and in the provider's contract file that you maintain.

If there are any facility or site changes related to the amendment:

- ◆ Alert your supervisor if the changes involve any of the sites in other regions so those other regions can be made aware.
- ◆ Edit any provider **facility** data on FACS (involving the PRFL/FACD, FSPL, CLTL and facility PADL/PADD screens).

Unilateral Department Decision to Amend the Contract

Legal reference: 441 IAC 152.23(2)“b” and “c”

The Department may unilaterally amend any RTSS contract to delete an existing service. The two main circumstances for this unilateral amendment are:

- ◆ When a required license or certification for a particular service has been revoked, denied, not maintained, or voluntarily withdrawn by the provider, but the provider has failed to amend the contract accordingly. In this case, the Department must give the provider a 10-day notice of its intent to delete the service code affected.
- ◆ When agreement of a negotiated rate cannot be reached between the Department and the provider, after exhausting all remedies under 185.112(234). (See **RTSS PROVIDER HANDBOOK**, Chapter E, **Rate Resolution Process**.) In this case, the Department must give the provider 30 days' notice of its intent to amend the contract to delete the service code affected.

Note: A unilateral amendment **does not apply** if the service code represents services provided by a provider that has more than one site with these services, and only one site is involved with the revocation or other problems with regard to licensing or certification.

The facility detail on FACS or in the contract file show which site is not to provide the service (until any problems are resolved). Do not process an amendment to delete the service code from the contract, because this would end services at the other sites that are in compliance.

However, when a problem comes to your attention regarding one particular site or service, it may be a larger agency-wide issue affecting the overall performance of the provider in not meeting one or more conditions under the contract. It may not be just a problem with that one site or one service code.

If such is the case, you may need to do **further review** of the provider to be sure this is not affecting or possibly going to affect all the other services at that site or within the entire agency. Also consult with other Department staff who may have information that would be helpful in making such a recommendation.

After such review, you can inform your supervisor of your recommendation for appropriate action to take:

- ◆ To delete one or more of the service codes.
- ◆ To terminate the contract.

At that point you and your supervisor can discuss your recommendation, pursue collecting further information if needed, and follow the region's process for coming to agreement with any county, regional, and central office Department staff as deemed appropriate.

Notice of a Unilateral Amendment

Usually you, the project manager, will send the certified notice to the provider about the Department's intent to unilaterally delete a service code. However, there may be situations in which it is preferred that the notice be sent from the regional office or the Bureau of Purchased of Services.

The notice to the provider should include the certified letter explaining the intended deletion with an attached face sheet noting the service codes affected. If you are sending the notice, contact the contract manager before sending it, so that staff in the Bureau of Purchased Services will be aware of the action, or can provide assistance, if needed.

Send a copy of this notice via the regular mail system to the regional and central office for filing with those contract files. Also send copies to the other regions if the provider has facilities/sites in other regions. Keep a copy of the notice with your copy of the contract.

Upon receipt of this letter and face sheet and following the required time frames for notice to the provider, the Bureau of Purchased of Services staff will make changes to the data system screens.

In particular the FACS rate screens (PRRL) will show that the service code has been deleted on the date indicated on the notice. This will either be the date licensing or certification was denied or revoked or not maintained, or the date after which the provider received the required notice.

Monitoring Compliance

Legal reference: 441 IAC 152.23(1)

Monitor performance under the contract and provide or arrange for technical assistance to improve the provider's performance. The following sections explain requirements for monitoring compliance with contract requirements:

- ◆ Review of documents submitted annually relating to:
 - Insurance.
 - Equal opportunity.
 - Public transit certification.
- ◆ Making on-site visits to the provider.

Insurance

Legal reference: 441 IAC 152.2(21) “Indemnity and insurance clauses”
Rehabilitative Treatment and Supportive Services Contract, 470-3052,
Section IV. L.

The provider must annually submit the same type of documentation as required with a new contract proposal. The provider must submit updated documentation for at least all three types of liability insurance required under the contract, including:

- ◆ Proof of current **general property liability** coverage, or, as an exception, an updated, currently signed, written statement from the provider or the provider’s insurance agent indicating why such coverage is not needed for purposes of the RTSS contract.
- ◆ Proof of current **professional liability** coverage.
- ◆ Proof of current **auto liability** coverage; or, as an exception, an updated, currently signed, written statement from the provider or the provider’s insurance agent indicating why such coverage is not needed for purposes of the RTSS contract.

Coverage must include both the state of Iowa and the Iowa Department of Human Services as **additional insureds**.

When you have collected some type of **documentation** for all three required types of liability, and have reviewed for completeness and accuracy, then submit a copy of this updated information annually to the Bureau of Purchased Services.

When there have been exceptions to allow a provider not to carry general property liability or auto liability coverage, ask providers to talk with their insurance agency to help them determine if the insurance is still needed or not, or if they may be covered in some other way.

Be sure that the providers have considered all types of activities they may be involved in while conducting business, while providing care or services to a client, or for any damage that may occur to another caused by a client while receiving the care or services from the provider. When in doubt, the coverage may be better than none.

If an exception for general property liability or auto liability has been submitted in the past, the letter from the provider or their insurance carrier needs to be updated and resubmitted annually.

Further discussion of situations where providers have questioned the need for general property liability and auto liability coverage follows.

General Property Liability

An individual provider may not need to have the general property insurance if the provider always goes to the client's home and does not have clients come to the provider's own office or home.

Also, providers who lease space where the landlord has the insurance coverage on the property may not need to carry this coverage themselves, as long as they can supply proof of the landlord's insurance.

We cannot say the provider should or should not have this coverage—the provider must decide. The provider still may want coverage for any incidents by someone else on the provider's property or in an office, or if the provider accidentally causes damage to or on someone else's property while conducting business.

The provider or insurance agent should make whatever written statements are needed in these situations. This becomes part of the insurance documentation that is to be updated and submitted annually. The provider can decide one year not to carry the general property liability coverage, but opt to carry that type of liability insurance at a later time.

Auto Liability

Some providers do not have agency vehicles, but instead have their staff or others use their own private vehicles for conducting business that includes transporting RTSS clients.

If this is the case, the provider must submit an assurance that such people will provide proof of having a current Iowa driver's license and their current auto liability insurance coverage for their own vehicle before being allowed to transport RTSS clients or conduct RTSS business using their own vehicles.

Questions arise if an agency or individual provider must carry auto liability insurance when the provider never transports nor arranges for the transport of clients, or the provider would never have any staff considered on business-time while driving a car.

If after considering all the rules and requirements, the provider thinks that auto liability is not needed, then the provider should provide a signed statement to this effect. If the provider continues to seek exception to providing proof of auto liability insurance for purposes of the RTSS contract, this statement needs to be updated each year as part of the insurance documents submitted annually.

Equal Opportunity Desk Audit

Legal reference: 441 IAC 152.2(4) through 152.2(10), 152.2(26)
Rehabilitative Treatment and Supportive Services Contract, 470-3052,
Section IV. C.

The *Equal Opportunity Review for Purchase of Service Project Management*, form 470-0148, and the *Accessibility Checklist*, form 470-0149, are commonly referred to as the “EOR.”

After the initial submission of these forms to the Diversity Unit with a new contract proposal, the provider must submit annually thereafter a *Desk Audit for Title VI and Section 504 Compliance*, form 470-2215, commonly referred to as the “EODA.”

Review the completed EODA form for completeness and accuracy. Submit both the white and gold copies to the Bureau of Purchased Services each year. Be sure that markings and signatures are filled-in and legible on all copies before submitting.

When conducting any on-site visits during the contract term, you may want to check that the provider is continuing to adhere to the equal opportunity, affirmative action, and civil rights requirements. You may verify this by reviewing:

- ◆ Job announcements, posters and other written information provided to clients or employees about discrimination.
- ◆ Other documentation and procedures related to the equal opportunity, affirmative action, and civil rights issues.

DOT Certification for Public Transit Services

Legal reference: Iowa Code Chapter 324A; 761 IAC 910; 441 IAC 152.2(19),
“Certification by Department of Transportation”
Rehabilitative Treatment and Supportive Services Contract, 470-3052,
Section IV. K.

The Department of Transportation *Certification Application for Coordination of Public Transit Services*, form 020107, is to be updated as needed, and re-filed annually with the DOT, whether or not the RTSS provider provides public transit services according to DOT’s definitions.

DOT staff work on public transportation needs in established areas around the state. They not only wish to be aware of those who can provide public transit services to new or existing populations, but also of entities that may need public transit services. If they are aware of service providers, they can connect with them as needed.

On-Site Monitoring

Legal reference: 441 IAC Chapter 152
Rehabilitative Treatment and Supportive Services Contract, 470-3052

Conduct on-site monitoring of each provider at least once during the term of the contract. Document reports from this evaluation and any follow-up, and share copies with the provider.

The Department conducts billing audits of in-state RTSS providers. Out-of-state RTSS providers are audited at the discretion of the regional administrator. In addition, other on-site visits and monitoring may occur.

The purpose of a billing audit is to determine if the provider has retained clinical and fiscal records that substantiate claims submitted to the Department for reimbursement. (For more information, see 15-E, ***RTSS BILLING AUDIT***.)

If you do monitoring when annual information is collected on insurance, equal opportunity, affirmative action, civil rights, and other contract requirements, indicate any of your findings on form 470-0670, *Report of On-Site Visit*. Send a copy of this report and any follow-up to the provider, and as you deem appropriate, to the Bureau of Purchased Services for filing with the contract.

At the time of a contract renewal, the evaluation form required to be submitted with the renewal is the *Contract Renewal and Evaluation Guide*, form 470-3054.

Complete this form to reflect your assessment of the provider's compliance with major contract requirements and conditions at that time.

On-site visits are conducted as needed at the request of the Bureau of Purchased Services, others in the Department, or other governmental bodies. These visits may be scheduled or may be unannounced.

These visits may include you and other Department staff who are monitoring a situation with regard to a particular provider and particular issue. A joint decision of those involved is made in terms of how the report is to be documented and findings communicated to the provider and any other necessary parties.

Other audits may also be conducted as part of contract monitoring. (Refer to 15-E, **OUTCOMES OF BILLING AUDITS**, and **RTSS PROVIDER HANDBOOK**, Chapter H, **STATE AUDITS, PROVIDER SANCTIONS** and **APPEALS**, for more information.)

Monitoring Multi-Region Contracts

The assigned project manager is also referred to as the “agency project manager” when the provider has sites in more than one region. The agency project manager is the one with overall responsibility for the contract.

A site is a location from which services are delivered, staff report, and records are kept. If the facility must be licensed, each separately licensed location is a site.

The agency site or administrative site is the main office of the provider. This is the same site address that is found on the contract *Face Sheet* and on the FACS address screen for each provider.

The facility site is a location from which services are delivered, staff report, and records are kept other than the agency's administrative site. These facility sites may or may not be located in the same region as the administrative site.

A satellite site is a location from which services are provided, but staff do not report there and records are not kept there.

The “site project manager” is from another region in which the provider has one or more facility or satellite sites which are under the administrative site. Project manager supervisors do not always assign a site project manager for an agency with a site in another region. These assignments are at the discretion of each region.

Below are questions and answers that make up the current policies and procedures with regard to agency and site project managers monitoring multi-region contracts:

◆ **When do you decide to use more than one project manager to monitor the contract?**

This is negotiated between the project manager supervisors in the regions involved. Considerations may include physical proximity and local decision-making.

◆ **Who directs involvement with the provider**, i.e., frequency of contacts and the nature of the contacts?

The administrative rules and contract require at least one on-site visit to each provider during the term of the contract. It is recommended that one site visit be conducted to each site per year. One or more of the following activities may be carried out at each site. Those include:

- Billing audits to determine the adequacy of the provider’s documentation to support the provider’s claims for payment. This is covered in 15-E, ***RTSS BILLING AUDIT***.
- Monitoring compliance of contract terms and requirements.
- Review of compliance with requirements for supportive services (staff qualifications, treatment plans, documentation, etc.). What is done at each facility site may depend on what records are maintained at the administrative site.

Another function that may be carried out at the time of the visit is consultation on program improvement, based on input from the local offices served by that site.

It is at the project manager’s discretion to determine whether to carry out these or other activities during one or multiple on-site visits.

◆ **Who is responsible for processing amendments?**

If the amendment is specific to a facility site and there is a site manager assigned to the facility, the site project manager would represent the DHS offices served by that facility in negotiating the amendment.

The site project manager transmits the amendment information to the agency project manager for final processing. The agency project manager is responsible for coordinating certification and licensure when applicable.

◆ **Who is responsible to respond to the provider on policy interpretation and answering questions?**

If the administrative site generates the issue, the agency project manager responds and sends a copy of the issue and the response to all site project managers.

If a facility site generates the issue, the site project manager and the agency project manager coordinate the development of the response. Both project managers sign the response. The site project manager sends the response to the facility site. The agency project manager sends the response to the administrative site and any other facility sites.

◆ **Who handles complaints?**

If the complaint is about a facility, the site project manager informs the agency project manager about the complaint. The two project managers coordinate a response or action.

The two project managers determine which one will be responsible for following up on the complaint and the actions to be taken. If the situation rises to the need for an on-site visit, the site project manager conducts the site visit and completes a written report of findings.

A copy of the report is to be sent to the facility site and to the agency project manager. The agency project manager should send a copy of the report to the provider representative at the administrative site.

If there is a child abuse report involving a facility site, the site project manager notifies the agency project manager. The regional procedures of the agency project manager determine the site project manager's role in the investigation.

◆ **Who handles questions related to billing audits?**

Usually, the project manager assigned to the site handles audit specific questions. See 15-E, **Multi-Region Auditing**, for more on procedures related to multi-region billing audits.

If the facility site has a more complex question, the site project manager will inform the agency project manager about the question. The response can be negotiated between the project manager supervisors in the regions involved.

◆ **Who is responsible for compiling the on-site review and renewal information?**

The agency project manager needs to make sure that the on-site visits incorporate all the applicable requirements (contained on the *Contract Renewal and Evaluation Guide*, form 470-3054) for all sites of the provider agency.

Send reports of all on-site visits at facility sites to the agency project manager within one calendar month of completing the site visit, using form 470-3054. (See 15-E, **Report of Billing Audit Findings**, for the format for reporting billing audits.)

◆ **Who handles coordination of issues related to certification and licensing?**

The project manager assigned to the site where an issue involving certification or licensure arises will be responsible for notifying the appropriate certification or licensing staff and also the agency project manager.

◆ **Who decides what sites are included under the contract?**

A site stays connected to the contract unless the Department takes action to decertify the site as a provider of rehabilitative treatment services. If a local area does not want to use a certified site any more, workers should no longer make referrals to that site.

◆ **What information needs to go from the agency project manager to the site project manager?**

The agency project manager:

- Serves as a clearinghouse for information regarding the provider.
- Sends copies of contract forms to all site project managers (contract, face sheet, attachments, exceptions to policy, amendments, addenda, administrative changes, and terminations).
- Transmits facility-specific certification or licensing information to the project managers assigned to each facility.
- Is responsible for all information on FACS regarding the provider facilities.
- Notifies all site project managers if there seems to be a pattern of a problem developing.

Contract Renewal

Legal reference: 441 IAC 152.23(3) “Contract Renewal”
Rehabilitative Treatment and Supportive Services Contract, 470-3052, Section III. C.

The decision to renew the contract is a joint decision between the Department and the provider. If there is agreement to renew the contract, the provider should submit completed documents to you far enough in advance so that there is the same 60 days’ processing time as required under new contracts.

The following sections explain procedures for:

- ◆ Evaluating the provider.
- ◆ Developing a contract renewal.
- ◆ Processing a contract renewal for approval.

Evaluating the Provider

Document your evaluation of the provider for purposes of a renewal on the *Contract Renewal and Evaluation Guide*, form 470-3054.

A contract renewal requires **at least one on-site visit**. This on-site visit may be conducted within the 12 months before the expiration date of the contract for purposes of the renewal only, or in conjunction with any other on-site visits. Use the results of the on-site visit and other input to determine whether you recommend renewing the contract.

If the provider has facility or satellite sites in other regions, consult with site project managers from the other regions as to their assessment of the other sites. Also review any audits or other reports over the previous months from them, certification specialists, licensing staff, or others.

Reaffirm your **approval of supportive services**. If the provider is providing supportive services, review staff qualifications and service records as part of your evaluation to be sure they are in compliance with related program rules and procedures.

(Refer to the POSSRTSS network share under RTSS for more information on supportive service.) Mention your approval in the cover memo submitted with the contract renewal.

Developing a Contract Renewal

If there is agreement to renew the contract, the provider fills in all the contract-related forms and obtains all other required documentation. The provider must submit this completed information to you at least 60 days before the expiration date of the current contract.

Required forms and documents the provider must submit to you for a contract renewal include:

- ◆ *Rehabilitative Treatment and Supportive Services Contract Face Sheet*, form 470-3051.
- ◆ Relevant attachments, as listed on the face sheet.
- ◆ *Rehabilitative Treatment and Supportive Services Contract*, form 470-3052, including Appendix A—Service Descriptions, with the contract signature page signed by the provider.
- ◆ A current, approved *Notice of Decision for Rehabilitative Treatment Services Certification*, form 470-3169, for each site and service core. (Note any changes regarding sites that the provider or certification staff may have made. Be sure any new sites are reflected in any insurance coverage or EO/AA compliance.)
- ◆ Verification of licensure if providing supportive services.
- ◆ Insurance documents showing current coverage for general, professional, and auto liability with required additional insureds for each type of coverage, or a new, updated letter signed by the provider or insurance agent for any exceptions that may apply.
- ◆ *Desk Audit for Title VI and Section 504 Compliance*, form 470-2215 (if not previously submitted as part of that year's annual compliance).
- ◆ *Certification Application for Coordination of Public Transit Services*, DOT form 020107, if not previously submitted during that year. (After your review, do NOT send this to the Bureau of Purchased Services but instead directly to DOT.)

(Refer to **RTSS PROVIDER HANDBOOK**, Chapter D, **Contract Renewal**, for forms and instructions. Also, see the following example of a checklist one project manager uses when processing a contract renewal with the provider.)

Example: Project Manager Checklist for RTSS Provider Contract RenewalInformation/DocumentReference in RTSS PROVIDER HANDBOOKWhat you will need as part of the contract renewal proposal:

- ☐ Revisit verification of legal entity
- ☐ Gather information to include in cover memo
- ☐ Current *Contract* & Appendix (use template) Chapter D—Page 3
- ☐ Exception to policy, if applicable
- ☐ *Contract Addendum*, if applicable
- ☐ Parent corporation guarantee, if applicable
- ☐ Updated *Face Sheet* (with applicable lists attached) Chapter D—Page 102
- ☐ Current proof of liability insurance * Chapter D—Page 93
 - ☐ General property (or letter explaining why don't need for purposes of this contract)
 - ☐ Professional
 - ☐ Auto (or letter explaining why don't need for purposes of this contract)
 - ☐ The state of Iowa and DHS as additional insureds for these policies
- ☐ Current certification *Notice of Decision* for rehabilitative treatment services

What you need to send to others:

- ☐ EO *Desk Audit* to diversity specialist * Chapter D—Page 89
 - ☐ Completion of form
 - ☐ Review of written non-discrimination policies on hiring and providing services
 - ☐ Verification of information being posted
 - ☐ Verification of program and architectural accessibility
- ☐ *Certificate of Transportation* to DOT * Chapter D—Page 94

* If not already submitted as part of annual review.

What is kept and updated in your contract file but not submitted with contract renewal proposal:

- ☐ Verify list of all facility sites, address/phone number/contract person/service codes at each site
- ☐ Documentation supporting check & approval of supportive services, if applicable
- ☐ Policy and procedures reviewed: Chapter D—Page 91
(examples in *Handbook* Appendix)
 - ☐ Child abuse
 - ☐ Confidentiality
 - ☐ Appeals & grievance

Example: Project Manager Checklist for RTSS Provider Contract Renewal (Cont.)

Information/Document

Reference in *RTSS PROVIDER HANDBOOK*

- | | |
|--|---------------------|
| <input type="checkbox"/> Drug-free work place | |
| <input type="checkbox"/> Review of subcontracts, if applicable | Chapter D—Page ____ |
| <input type="checkbox"/> Current table of organization/board membership, if applicable | Chapter D—Page ____ |
| <input type="checkbox"/> Current articles of incorporation, if applicable | |
| <input type="checkbox"/> Disclosure of ownership | |
| <input type="checkbox"/> Provider verification of staff child abuse checks | |
| <input type="checkbox"/> Provider verification of staff criminal record checks | |
| <input type="checkbox"/> Other _____ | |

Processing the Contract Renewal for Approval

Review **Forms Matrix** and the *RTSS Contract Checklist for Project Managers—Contract Renewal*, form 470-3212 (on the POSSRTSS network share under RTSS/contract/checklist/rencklst.doc) for details about the contract forms and other documentation to be included in the contract renewal packet.

Review the listed contract renewal forms and all other required documents for completeness and accuracy.

If any portion of the contract renewal is inaccurate or incomplete, work with the provider representatives to correct or complete any deficiencies and get the contract renewal in final form.

Once the contract renewal is accurate and complete, submit the contract renewal for signature to:

- ◆ The area administrator for the county where the provider's administrative offices are located.
- ◆ The regional administrator for that region.

You have four weeks from receipt of an accurate and complete contract renewal to process it for signatures and submit to the Bureau of Purchased Services.

After your final review of the documents submitted by the provider, submit the following as part of the contract renewal packet to the Bureau of Purchased Services:

- ◆ A cover memo, specifying:
 - The desired term of the contract, usually one or two years.
 - Your approval of any supportive services, if your review has shown the provider to be meeting requirements.
 - Any other pertinent issues related to the renewal.
- ◆ The original and three additional copies of:
 - The most current version of the *Rehabilitative Treatment and Supportive Services Contract Face Sheet*, form 470-3051.
 - Relevant attachments, as listed on the face sheet (copies of any addendums, approved exceptions to policy, explanations, or lists of any subcontractors and other contracts the provider has with the Department).
 - The most current version of the *Rehabilitative Treatment and Supportive Services Contract*, form 470-3052, including Appendix A—Service Descriptions, with the signature page signed by the provider.
- ◆ One copy of:
 - Your completed *Contract Renewal and Evaluation Guide*, form 470-3054.
 - The *RTSS Contract Checklist for Project Managers—Contract Renewal*.
 - A current, approved *Notice of Decision for Rehabilitative Treatment Services Certification*, form 470-3169, for each site and service core. (Note any changes regarding sites that the provider or certification staff may have made. Be sure any new sites are reflected in any insurance coverage or EO/AA compliance.)
 - Verification of licensure for providing supportive services, if applicable.
 - Insurance documents showing current coverage for general, professional, and auto liability with required additional named insureds for each type of coverage, or a new, updated letter signed by the provider or insurance agent for any exceptions that may apply.
 - *Desk Audit for Title VI and Section 504 Compliance*, form 470-2215 (if not previously submitted as part of that year's annual compliance).
 - Any other information relevant to the review regarding this provider.

If the contract renewal includes an amendment, also include one copy of the “*RTSS Contract Checklist for Project Managers—Amendment*” form. (Refer to the POSSRTSS network share under RTSS/contract/checklists/amdcklst.doc.) If the amendment is to add a service code, include one set of signed negotiated rate forms—the one with original signatures, and any attachments.

If the contract renewal includes an administrative change, also include one copy of the “*RTSS Contract Checklist for Project Managers—Administrative Change*” form. (Refer to the POSSRTSS network share under RTSS/contract/checklist/admnchg.doc.)

Mark the signature pages with a paper clip or some other indicator. You may wish to retain a fifth “control copy” for your own records until the contract renewal is approved and signed copies are returned to you.

Approval by the Bureau of Purchased Services

Submit the cover memo with the original and three additional copies of the contract renewal, and at least one copy of any attachments, to the Bureau of Purchased Services at least 30 days before the expiration date of the current contract and the desired effective date of the renewal.

The RTSS contract manager in the Bureau of Purchased Services will review the packet within 15 days of receipt for accuracy and completeness.

- ◆ If the contract renewal is inaccurate or incomplete, the contract manager will inform you via e-mail with a copy to your supervisor.

If you are able to complete or correct the contract documents within 24 hours from the time the e-mail notice was sent, the contract manager will work with you to make the contract renewal proposal complete and accurate.

If the error or incompleteness is too major to be corrected and submitted within 24 hours, or if you are not able to respond to correct minor deficiencies within 24 hours, the contract manager will send you an e-mail, with a copy to your supervisor, that the contract renewal proposal as submitted cannot be processed or approved. The packet will be returned to you directly.

Work with the provider to make any necessary corrections or to obtain complete information as required under the contract, and resubmit the contract renewal packet to the Bureau of Purchased Services for further review.

- ◆ When the contract packet forms and documents are accurate and complete, the contract manager approves the contract by finalizing the contract documents and obtaining the Department director's or designee's signature, which then commits the provider and Department to the renewed contract.

An approved contract renewal will show all four required signatures on the signature page of the contract. After the contract has been approved and all copies have been signed by the Department Director or designee, the contract manager will:

- ◆ Keep the original copy of the contract and related forms for the Bureau of Purchased Services contract files.
- ◆ Return the remaining signed copies to the project manager supervisor, who in turn will forward them on to you.

When you receive them, send one signed copy of the contract renewal to the provider, and file remaining copies in Department regional or county office contract files.

If there have been no amendments nor administrative changes processed with the contract renewal, there are only minor edits to be made to the data systems and these are made in Central Office.

With regard to FACS, this entails the POS secretary:

- ◆ Updating the **provider agency** data to show the new term for the renewed contract.
- ◆ Updating the equal opportunity and affirmative action information on the AGCD screen.
- ◆ Updating rate information on the PRRL screen if there are amendments to add or delete a service code.
- ◆ Making any administrative changes to provider agency details on the AGCD screen.

At the time of renewal of a contract, you may become aware of changes that have been made to one or more facilities or sites of the provider agency. Reminder: Facility data and changes are not reflected in formal contract documents. In addition to what you enter and maintain on the FACS system, you should keep and update facility information in the provider's file that you maintain.

If there are any facility or site changes:

- ◆ Alert your supervisor if the changes involve any of the sites in other regions so those other regions can be made aware.
- ◆ Edit any provider **facility** data on FACS (involving the PRFL/FACD, FSPL, CLTL and facility PADL/PADD screens) either when you become aware of the change or at the time of renewal.

Subcontracts

Legal reference: 441 IAC 152.2(23)
Rehabilitative Treatment and Supportive Services Contract, 470-3052, Section IV. N.

Except for providers who declare themselves to be an “individual” vendor type, RTSS providers are permitted to have subcontractors who deliver treatment or supportive services to authorized clients referred to the provider.

Be sure that RTSS providers understand that they are responsible under the RTSS contract for ensuring that any subcontractor that delivers treatment or supportive services meets all the conditions and requirements under the RTSS contract and any related federal and state laws, rules, and policies.

Costs of the subcontracted services are subject to the same requirements and limits as set forth in the RTSS contract and found in **RTSS PROVIDER HANDBOOK**, Chapter E, **Subcontractor Fees**, dealing with rate setting and costs. The RTSS provider is responsible for billing for RTSS services delivered by the subcontractor and reimbursing the subcontractor.

Note: The procedures described below do not apply to subcontracts a provider might have for secretarial, janitorial, accounting, or other such duties that are not directly providing RTSS services to clients.

Required Review by Project Managers

If a new, prospective, or current provider plans to have or amend a subcontract for treatment or supportive services under the RTSS contract, the provider must submit a copy of the proposed subcontract to you for review at least 30 days before implementing the subcontract or changes to a subcontract.

After your review, determine if the Department should reject all or any parts to the subcontract. Any portions of the subcontract rejected may not be included in any subsequent costs submitted to the Department for reimbursement.

You may want to coordinate with certification staff to be sure that there is consistency in understanding of:

- ◆ What subcontractors are involved.
- ◆ The names of any staff providing RTSS services under the subcontract.
- ◆ The type of services being provided.

Certification staff will review subcontracted staff providing rehabilitative treatment services and their qualifications at the time of new or renewed certification approval, as they are made aware of such. You may review any staff providing supportive services and their qualifications at the time of review of a subcontract or when the contract is renewed.

However, again it is the responsibility of the provider to ensure that all subcontractors meet contract requirements and conditions, including being sure that subcontracted staff providing RTSS services are qualified.

The provider should be informed that they are not to provide services nor bill for:

- ◆ Any RTSS services provided by a subcontractor until they have submitted the subcontract to you for review at least 30 days in advance.
- ◆ Any services that are related to a part of a subcontract which was rejected by the Department or do not meet contract requirements.

Optional Tools

You may wish to have some documentation of your review and any rejection of any portions of the subcontract, or of the provider's understanding of their responsibilities with regard to subcontractors.

Refer to your supervisor for any documentation that may be recommended with regard to your review of the subcontract and to ***RTSS PROVIDER HANDBOOK***, Chapter D, **Subcontracting for Service Provision**, for further information on subcontracting.

Refer to the POSSRTSS network share under RTSS/contract/subcontr/subconag.doc for a sample form that can be customized to a specific provider to achieve mutual understanding of the provider's responsibilities with regard to any particular subcontractor.

Use of a form like this helps eliminate a later misunderstanding if providers claim they never knew what their responsibilities were when subcontracting with another entity to provide RTSS services to clients referred to them. You may keep any such agreements in your contract files on the provider.

Termination of a Contract

Legal reference: 441 IAC 152.23(4)
Rehabilitative Treatment and Supportive Services Contract, 470-3052, Section III. D.

Termination relates to ending the contract sometime during the term of the contract before the approved expiration date indicated on the contract. Termination may occur with or without cause.

The provider or the Department may terminate the contract any time **without cause** upon 30 days' notice.

Causes for termination before expiration of the current contract are:

- ◆ Determination by the Department that insufficient funds are available to continue the services involved.
- ◆ Failure of the provider to complete or submit required reports.
- ◆ Failure of the provider to make financial and statistical records available for review by the department or authorized party.
- ◆ Failure of either party to abide by the provisions of the contract.
- ◆ Failure to reach agreement on negotiated rates within 130 days of initiating rate negotiations in accordance with rule 441 IAC 185.112(234).
- ◆ Revocation of or failure to maintain licensure or certification.
- ◆ Imminent danger to clients.

The Department may terminate the contract upon ten days' notice for cause, except in the event of revocation of licensure, certification or imminent danger to clients.

- ◆ If due to revocation of or failure to maintain licensure or certification, the termination is effective on the date the license or certification is revoked or no longer in effect.
- ◆ If due to imminent danger to clients, the termination is effective immediately upon notice.

Within 20 calendar days of the date of any termination, the provider is to submit to the Department a financial statement detailing all costs up to the effective date of termination. The sole and complete remedy of the provider shall be payment for services completed before the effective date of termination.

Provider Terminates the Contract

According to procedure and good business practices, the provider is to notify the Department in writing as much in advance of the termination date as possible. Notification should be at least 30 days in advance if it is without cause, in order to work with Department staff in handling the impact on any current clients and unresolved fiscal issues.

The notice is to be submitted to you on the provider's agency letterhead and signed by an authorized representative. It should indicate:

- ◆ The date it is written,
- ◆ The reason for the notice to terminate, if the provider chooses to share it, and
- ◆ The date upon which the contract is to terminate. When the date is arbitrary, the Department asks that the termination date be on the last day of a given month.

Submit the provider's original notification to the Bureau of Purchased Services for processing the termination on data systems and filing in central office contract files. If needed, also contact the certification specialist assigned to this agency and any referral workers with regard to possible transition of any current clients to other providers for services.

File copies of the provider's notice in your contract files for this provider, and also distribute it to any other Department files in the region, or to the project manager supervisor in other regions if the provider has sites in multiple regions.

Sometimes the provider who is terminating does not adhere to the requirements for notifying the Department in advance nor by certified mail. Notice may come via certification, local news, a phone call, or return of undelivered mail.

In such cases, you are asked to follow-up the best you can. This may mean calling the provider to verify the news and sending to the provider, if the address is known, a certified letter stating what has been heard or understood and indicating the contract is being terminated by a specified date.

If you have not been able to verify the information with the provider, you can add to this letter a deadline date by which you must hear from the provider, and indicate in the absence of contact by that date, that the contract will be terminated on the specified date.

In the absence of any justified reason for some specified date before the 30-days' notice (the agency left the community with no notice and no known forwarding address, you discover they let their certification expire, etc.), make the termination date 30 days from the date you send the notice. This will make the notice in accordance with a termination without cause.

Department Terminates the Contract due to Imminent Danger

If termination is due to imminent danger to clients, immediately contact appropriate regional and central office staff for verification of the situation. If it is verified, you will be informed and termination of the contract should be initiated immediately.

This may be handled by central office staff, regional office staff, or you. Work with others in the Department, as needed, in handling the impact on any current clients and any unresolved fiscal issues.

If you are to handle the notice, share a draft for review and comment with your supervisor and with appropriate staff in the Bureau of Purchased Services. After the draft is agreed to, a written notice is to be sent to the provider via certified mail giving the termination reason and date of termination as the date notice is sent.

After the letter has been sent, call the contract manager in the Bureau of Purchased Services so that appropriate data systems entries can be made right away with regard to provider agency information and rates.

Send a cover memo explaining the circumstances surrounding the termination and a copy of the termination notice, including any other pertinent documentation, to the Bureau of Purchased Services for filing in the Central Office contract file.

Enter copies of this same information into any other contract files maintained in the regional or county offices. Distribute it to the project manager supervisor in other regions if the provider has sites in multiple regions. Also send copies of your cover memo and certified letter to others in the Department who may need to know about the termination. This may include:

- ◆ The Office of Field Support, who can inform all regional administrators and service administrators (who in turn can alert referral workers).
- ◆ The other project manager supervisors as an “FYI.”
- ◆ Fiscal Management staff handling payments.
- ◆ Other Department staff who need to know of this action.

Department Terminates Contract due to Lack of License or Certification

If the termination is due to revocation of or failure of the provider to maintain licensure or certification, verify the information with your supervisor, staff in the Bureau of Purchased Services and any other Department staff involved. If it is verified, document how you know this to be true with regard to the license or certification.

Send a written notice to the provider via certified mail giving the termination reason and the date of termination as the date upon which the license or certification ended. Work with others in the Department, as needed, in handling the impact on any current clients and any unresolved fiscal issues.

Send a cover letter with an explanation about the termination and a copy of the letter you sent to the provider, including any other pertinent documentation, to the Bureau of Purchased Services for entry into the data systems and for filing in the central office contract file.

Enter any copies of this same information into any other contract files maintained in the regional or county offices. Distribute to the project manager supervisor in other regions if the provider has sites in multiple regions. Also send copies of your cover memo and certified letter to others in the Department who may need to know about the termination. This may include:

- ◆ The Office of Field Support, who can inform all regional administrators and service administrators (who in turn can alert referral workers).
- ◆ The other project manager supervisors as an “FYI.”
- ◆ Fiscal Management staff handling payments.
- ◆ Other Department staff who need to know of this action.

Department Terminates the Contract Without Cause

Terminating a contract “without cause” means that the termination is not due to any of the reasons stated under “causes for termination,” but just because the Department has decided for other reasons not to do business any longer with a certain provider. (For example, the Department may wish to terminate a contract if no services have been provided under the contract for 12 months.)

Agreement to terminate must be made with all department levels representing the department signators on the contract before the termination action is initiated.

If there is agreement, draft a certified letter. Share the draft for review and comment with your supervisor and with staff in the Bureau of Purchased Services. If the provider appeals an action initiated by the region, central office staff may become involved in the appeal action and would want to be able to support the region’s action.

After the draft is agreed to, send the letter to the provider stating only that the contract is being terminated without cause and give the date of termination as 30 days from the date the notice is sent.

In this case, do not give a reason for termination in your letter, unless you are otherwise advised. Legally the Department is not obligated to give a reason when terminating a contract without cause, and we are advised by legal counsel that it is best not to—not in the written notice nor in any prior or subsequent discussion or correspondence you may have with the provider.

Work with others in the Department, as needed, in handling the impact on any current clients and unresolved fiscal issues.

Send a cover letter with an explanation about the termination and a copy of the letter you sent to the provider, including any other pertinent documentation, to the Bureau of Purchased Services for entry into the data systems and for filing in the central office contract file.

Enter any copies of this same information into any other contract files maintained in the regional or county offices. Distribute it to the project manager supervisor in other regions if the provider has sites in multiple regions. Also send copies of your cover memo and certified letter to others in the Department who may need to know about the termination. This may include:

- ◆ The Office of Field Support, who can inform all regional administrators and service administrators (who in turn can alert referral workers).
- ◆ The other project manager supervisors as an “FYI.”
- ◆ Fiscal Management staff handling payments.
- ◆ Other Department staff who need to know of this action.

Department Terminates the Contract With Cause

Generally, termination with cause occurs when at least one of the parties fails to satisfy an obligation of the contract. If termination is for noncompliance, this step is preceded in most instances by attempts to correct the area of noncompliance. Documentation of the Department’s and the provider’s attempts to correct the problem should be available.

Before terminating a contract with cause, discuss the situation with representatives of the Department in the region and central office and document the issues. Agreement must be made with all Department levels representing the Department signature’s on the contract.

If the Department’s recommended action is to initiate termination of the contract and you are to handle the notice, draft a letter giving the reason (or cause) for the termination based on the causes listed above in the early part of this section. Include in the letter documentation of any attempts to correct noncompliance.

Share the draft for review and comment with your supervisor and with staff in the Bureau of Purchased Services. After the draft is agreed to, send the certified letter to the provider, indicating that the termination date is ten days after the notice is sent.

Work with others in the Department, as needed, in handling the impact on any current clients and unresolved fiscal issues.

Send a cover letter with an explanation about the termination and a copy of the letter you sent to the provider, including any other pertinent documentation, to the Bureau of Purchased Services for entry into the data systems and for filing in the Central Office contract file.

Enter any copies of this same information into any other contract files maintained in the regional or county offices. Distribute it to the project manager supervisor in other regions if the provider has sites in multiple regions. Also send copies of your cover memo and certified letter to others in the Department who may need to know about the termination. This may include:

- ◆ The Office of Field Support, who can inform all regional administrators and service administrators (who in turn can alert referral workers).
- ◆ The other project manager supervisors as an “FYI.”
- ◆ Fiscal Management staff handling payments.
- ◆ Other Department staff who need to know of this action.



THOMAS J. VILSACK, GOVERNOR
SALLY J. PEDERSON, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES
JESSIE K. RASMUSSEN, DIRECTOR

November 7, 2000

GENERAL LETTER NO. 15-C-6

ISSUED BY: Bureau of Purchased Services,
Division of Fiscal Management

SUBJECT: Employees' Manual, Title 15, Chapter C, ***RTSS CONTRACTING***, Title page, new; Contents (pages 1 and 2), new; and pages 1 through 71, new.

Summary

This new chapter specifies the process for developing and monitoring a Rehabilitative Treatment and Supportive Services (RTSS) contract. It is primarily geared towards project managers and the work they do with providers of RTS services.

Effective Date

Immediately

Material Superseded

None

Additional Information

If you have any contract-related questions, contact your project manager supervisor or a staff person in the Bureau of Purchased Services.



STATE OF IOWA

THOMAS J. VILSACK, GOVERNOR
SALLY J. PEDERSON, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES
JESSIE K. RASMUSSEN, DIRECTOR

October 2, 2001

GENERAL LETTER NO. 15-C-7

ISSUED BY: Bureau of Purchased Services,
Division of Fiscal Management

SUBJECT: Employees' Manual, Title 15, Chapter C, *RTSS CONTRACTING*, pages 6, 20, 48, 51 through 55, 57, and 58, revised.

Summary

This revision:

- ◆ Updates this manual with rule and provider manual changes regarding provider fiscal audits.
- ◆ Corrects insurance terminology.

Effective Date

October 1, 2001

Material Superseded

Remove the following pages from Employees' Manual, Title 15, Chapter C, and destroy them:

<u>Page</u>	<u>Date</u>
6, 20, 48, 51-55, 57, 58	November 7, 2000

Additional Information

If you have any contract-related questions, contact your project manager supervisor or a staff person in the Bureau of Purchased Services.